

SEASONAL UNEMPLOYMENT IN MANITOBA

A REPORT

SUBMITTED BY

R. W. MURCHIE, M.A., Ph.D.

W. H. CARTER

F. J. DIXON

1928

Printed by order of the Legislative Assembly of the
Province of Manitoba

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JOHN BRACKEN

Legislative Buildings,
Winnipeg, Manitoba,
1st February, 1928.

Hon. John Bracken,
Premier Province of Manitoba,
Winnipeg, Manitoba.

Sir:

We have the honor to submit herewith for your consideration a report of our inquiry into the causes of and remedies for seasonal unemployment in Manitoba.

This report is unanimous with one exception, namely Paragraph 4 on page 12. This paragraph expresses an opinion from which Mr. F. J. Dixon desires to dissociate himself.

We have the honour to be,

Sir,

Your obedient servants,

R. W. MURCHIE,
W. H. CARTER,
F. J. DIXON.

Province of Manitoba,
Office of the Premier,
Winnipeg, 2nd May, 1927.

Prof. R. W. Murchie,
Mr. W. H. Carter,
Mr. F. J. Dixon.
Gentlemen:

It is the Government's desire to have a thorough inquiry made into the causes of and remedies for unemployment, more particularly the seasonal unemployment that has been characteristic of our industrial development in the West during recent years.

This matter has been forced to the Government's attention by two outstanding facts; the annual difficulty in obtaining and bringing in the forty or fifty thousand labourers required to take off the crop of the Western prairies, followed by the annually recurring unemployment situation to be found in our cities in the winter months.

We need not point out that this condition is largely the result of an unbalanced development of our industrial life, which requires a large labour supply in certain months of the late summer and provides little opportunity for profitable employment during certain winter months. The surface indications of this condition have been brought to our attention each winter by the demand for unemployment relief. This evidence of an unsound development is serious enough in itself, but is not the most serious aspect of the problem, since there is a large amount of unemployment which is not brought to the attention of the public, but which is costly both to the individuals who are out of work but not in need of relief and also to the state which loses the benefit of the potential labour of those unemployed.

To accurately diagnose the causes of this detrimental influence on our economic development and to discover practicable methods for its prevention, is the problem we are asking you to attack.

The Government feels that the unbalanced development of our industrial life is one of the chief, if not the chief, economic problem we have to face at the present time, and it is our desire that the fullest possible investigation of the matter to be made, in order that a sane programme looking toward its correction may be put into effect.

We appreciate the fact that each of you is willing to give his time and thought to the solution of this problem, and in entrusting to you the work of the investigation, we wish you to feel the assistance of any of our Departments that can be made of use to you will be placed at your service if necessary. An appropriation has been set aside for the purpose of this inquiry, and in case this is found insufficient a larger amount will be provided.

Yours very truly,

JOHN BRACKEN.

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INTRODUCTION

Definition.

In commencing the study of Seasonal Unemployment in Manitoba it was necessary at the outset to find a good working definition of the term which would determine the scope of the inquiry.

Authorities differ as to what should be included under the heading "Unemployment," but perhaps the most workable definition is that given by the International Labour Office:*

"Unemployment is the condition of a worker (meaning thereby any person whose actual or prospective normal means of livelihood is employment under contract of service) who is both able and willing to work under contract of service, but who is without work and finds it impossible owing to the state of the labour market to obtain such work."

It will be seen that this definition does not cover unemployment when that is caused by temporary illness or permanent incapacity of the worker, nor does it include partial unemployment if the worker has a job which does not occupy him either the full working day or the usual number of working days each week. This definition of unemployment, however, has been very generally accepted.

Some of the writers on unemployment wish to include "under-employment" within the scope of unemployment.†

The Labour Gazette gives the following explanation: "Unemployment as used here has reference to involuntary idleness due to economic causes. Persons engaged in work other than their own trades, or who are idle because of sickness, or as a direct result of strikes or lockouts are not considered as unemployed."

Some attempts have been made to include under unemployment the inability to find employment "suitable to his qualifications and reasonable expectations." This definition is not considered workable because of the exceeding difficulty of defining the man's qualifications and drawing a line delimiting his reasonable expectations.

In general then throughout this study the term "Unemployment" means the condition of a wage worker able and willing to work who is unable to find remunerative employment. When the term "Unemployment" is applied to those who are partially incapacitated or those who are under-employed, or those who are employed in jobs other than their regular trades, specific mention will be made of the exception.

The term "Seasonal Unemployment" is generally understood to mean a temporary excess of unemployment among wage earners recurring with some degree of regularity at a particular season of the year. As will be revealed later, seasonal unemployment in western Canada becomes a problem generally when it occurs during the winter months. Therefore, in general during this study "Seasonal Unem-

*"Methods of Compiling Statistics of Unemployment"—Series C No. 7—Page 26.

†A. C. Pigou's "Unemployment," Chapter 2—Page 18.

ployment" is conceived of as "regularly recurring involuntary idleness of able bodied wage earners during the winter months when such idleness is of greater volume than occurred during the summer season."

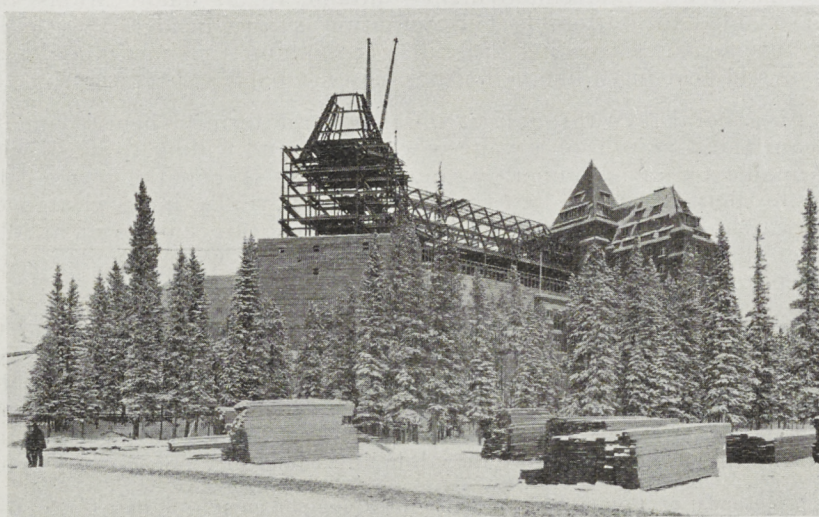
The inquiry took account not only of seasonal unemployment which involved distress on the part of the unemployed but attempted to examine into the causes which created seasonal fluctuation with a view to discovering remedies which might be applied toward the stabilization of employment.

Measures of Unemployment and Employment.

Various sets of statistics exist in Canada which might be expected to reveal with a fair degree of accuracy the state of employment or unemployment, but a close examination shows their inadequacy, either singly or collectively, to present a true picture of the employment situation. These sets of statistics are three in number:

1. Unemployment in Trade Unions as reported by Trade Unions monthly and published in the Labour Gazette each month.
2. Employment as reported by employers having fifteen or more employees and published in the form of index numbers by the Dominion Bureau of Statistics in their bulletin, "The Employment Situation," and in the Labour Gazette each month.
3. The records of the Employment Service of Canada showing the number of vacancies and the number of applications each month registered in the various Employment Offices throughout the Dominion. These figures are also published monthly in the Labour Gazette.

WINTER BUILDING AT BANFF



Courtesy of Carter, Halls, Aldinger, Ltd., Winnipeg

With regard to the first it may be said that they are totally inadequate because the number of Unions reporting is so small compared with the total number of Unions in Canada and these Unions report only very irregularly so that it is impossible to compare figures given one month with those of another month. There is the further objection that even if the Trade Unions reported with a fair degree of regularity the number of wage workers covered by these reports would be comparatively small, being just over ten per cent. of the total number of those gainfully employed and about twenty per cent. of the total number of wage workers and would not necessarily reflect the unemployment situation amongst wage workers who are unorganized.

The statistics published in "The Employment Situation," since they include only the employees of those establishments which employ fifteen or more, necessarily omit a considerable proportion of the wage earning class. Further, the index is based on the number of employees on the payrolls of these reporting firms on the first of January, 1920, and is rather to be considered as an index of the comparative prosperity of those firms than of the employment situation. To illustrate: If a firm which had fifteen or more employees in 1920 has in the meantime absorbed some other establishment and so increased its business, the index of employment will now be high, although the total number of employees may be less than the total number of employees originally on the payrolls of the establishments which have been amalgamated. Although the indexes given were a true picture of the amount of employment compared with the amount of employment in January, 1920, changes in the population would have to be taken into account before the index could be regarded as a guide to the unemployment situation.

The third set of figures is also inadequate because, as will be shown later, the Employment Service of Canada does not by any means handle all the employment. Many employers of labour have their own employment offices and do not use the Government Employment Service. Also, many classes of workmen and working women do not care to register at the Employment Service, so that the bulk of the work done by the Employment Service is in placing agricultural labour, unskilled labour and the placing of men and women in casual employment. In Employment Office statistics an increase in the numbers of placements and vacancies is not so much an index of an increase in the total employment as it is an index of the increase in the labour turnover.

While these statistics are inadequate to present a clear picture of the actual state of employment or unemployment in Canada and inadequate as a basis for making any definite numerical forecast of unemployment, they are nevertheless useful for comparative purposes. One year may be compared with another, but this type of comparison is limited because changes in the method of the collection of statistics have made long-time comparisons impossible.

Although attempts might be made to utilize these statistics in order to compare conditions of industry in this country with conditions in other countries difficulties are again encountered because of the lack of uniformity in the method of reporting statistics. At pre-

sent the difficulty consists chiefly in the differences in the basis of classification of industries. Also in some countries the statistics on manufacturing, for instance, will cover all manufacturing plants, while in Canada the classification includes only those employing fifteen or more employees.

Similarly the reports of unemployment in Trade Unions are not comparable because in some countries where compulsory Unemployment Insurance is in vogue the reports will be exhaustive, while in countries where Unemployment Insurance is voluntary or where there is no Unemployment Insurance the statistics will be less regularly collected and reported and much less exhaustive.

For these reasons throughout this report statistical data has to be regarded only as comparative and what conclusions are drawn therefrom must be stated in the most general terms with many reservations.

Method.

The method followed by the Commission in this investigation included:

1. A study of statistical and other data already compiled;
2. A series of interviews with leaders in the industrial world, both employers and employees;
3. Interviews with men and women who have been closely associated with the relief of unemployment;
4. Informal public conferences at which views of various citizens were heard;
5. Correspondence with authorities in other centres;
6. A study of literature already published on unemployment.

Section 1

GENERAL CONSIDERATIONS, SUMMARY AND RECOMMENDATIONS

Unemployment—Seasonal and Cyclical.

The question of seasonal unemployment must be taken in conjunction with the question of unemployment in general, for there is a certain amount of unemployment existing in practically all trades at all times. In this connection Edgar S. Furniss* states: "The explanation of the existence of this irreducible minimum of unemployment is found in the labour reserve which tends to accumulate in modern industries. This reserve of labour is made up of 'the men who within any given period are liable to be called on sometimes but are not required continuously.' Its size depends upon the number of separate employers, the irregularities of their separate businesses and of the industry as a whole, the relative mobility of labour, the average length of engagements, and the extent to which chance prevails in the hiring of workers. Conditions in any one of these respects may be such as to result in the development of a 'stagnant pool' of labour in an industry; the size of the reserve may be increased by the cumulative action of any or all of the other factors. Beveridge's analysis of their separate and mutual effects upon the labour market may be briefly summarized:

"The number of workers who gather in any given centre of the labour market will tend to equal the maximum number who may be able to obtain employment in that centre."

If industry in any given centre tends to be seasonal it will readily be seen that a larger number of workers will congregate in that centre than the total volume of industry would legitimately support, and therefore seasonal unemployment is not merely a phase of the general unemployment problem but its seasonality considerably aggravates the unemployment situation.

There are those who say that the question of seasonal unemployment cannot be studied apart from the general question of unemployment and who insist that the question becomes that of the seasonal employment of the many versus the steady employment of the few. The Commission tends to the view that the steadying of employment by spreading the purchasing power of the workers over the twelve month period will in itself increase the total purchasing power of the community, for human nature being such as it is an annual income of say \$2,000 spread over a whole year is better for a family than an income of \$2,000 earned in six or eight months of the year, with its consequent alternate extravagance and privations. The question of unemployment in general is not dealt with in this study, but it is a question which must be dealt with sooner or later in Canada as in other countries, for as industry develops with the introduction of machinery and its consequent dislocation of labour, there will be increasingly a problem of readjustment.

*"Labour Problems," Edgar S. Furniss—Page 24f.

Machinery and Seasonal Unemployment.

While the introduction of machinery may contribute toward unemployment in general, the influence of machinery upon seasonal unemployment seems to be favorable, for when a plant is equipped with elaborate, expensive machinery, the employer is likely to make great efforts to have it used as constantly and as regularly as possible and will endeavor to provide regular employment for his experienced workmen in order to escape the losses of operation with inexperienced help.

Seasonal Unemployment and Wages.

Seasonal unemployment cannot be studied apart from the question of wages. Authorities from Adam Smith down to the present day have realized that the wages of labor in different occupations vary with the constancy or inconstancy of employment and often high rates of wages are the result not of high skill but of irregularity of employment. W. H. Beveridge† says: "Ultimately, therefore, seasonal fluctuation becomes a question not of unemployment but of wages. From an economic point of view no industry is self-supporting unless it pays wages sufficient to keep men, not only while they are at work, but also while they must stand idle and in reserve. Where in any occupation seasonal fluctuation, year after year, brings round acute distress, that occupation must be judged as one in which wages are too low or ill-spent, because they do not average out to a sufficiency for the slack months as well as for the busy ones. It is from this point of view that the problem must be regarded. It is upon this basis that its treatment must be attempted."

The effect of high rates of wages which have been fixed because of the exceptionally seasonal nature of the employment is far reaching. If within a certain trade the wages have been fixed at a rate capable of supporting a worker throughout the year while his employment lasts only seven or eight months, it stands to reason that the employer cannot enter into competition with other employers whose labour rates have been fixed on the basis of operating the year round. Thus the higher rate of wages tends to reduce further the amount of business available and further shortens the period of operation.

In order to counteract this tendency the suggestion is made that rates of wages which have been fixed on the basis of seven or eight months' operation in a year should not be made the standard rates for labour in the off-season. The difficulty, however, immediately arises that if the rate of wages is once broken labour finds it difficult to re-establish that wage. Another suggestion is worth considering—that is, the making of a special agreement to cover rates of wages in the off-season on the definite understanding that rates fixed by such a supplementary agreement shall not prejudice the standard rate of wages.

Demarcation of Trades.

The strict demarcation of trades which is considered essential to strong organization in older countries is a factor adversely affecting

†"Unemployment—A Problem of Industry"—Beveridge—Page 37.

** (F. J. Dixon dissents from this paragraph.)

seasonal unemployment in a new country. When mobility of occupation is thus interfered with, any temporary increase in the amount of work demanded of any trade brings into the area in question a larger supply of labour of that trade, while there may be a surplus in allied trades which might otherwise have been utilized to meet the exceptional demand.

The Commission recommends that labour organizations in Manitoba consider carefully this question in the light of its bearing on seasonal unemployment and endeavor to evolve some system which would allow accommodation between allied trades in times of stress without losing the strategic position which they have attained after years of struggle. Willingness on the part of organized labour to grant such minor concessions would go a long way toward persuading the general public that organized labour was anxious to have the problem of unemployment solved.

Community Action.

The solution of the problem of seasonal unemployment demands community action. In a young rapidly developing country too much emphasis is apt to be placed on individual responsibility and personal action. It is not unusual to hear the view expressed that "In Canada any man can get work who wants it." Economic tendencies are too often misunderstood and the blame for economic maladjustment too often placed on the shoulders of the individual. Community action in the past has been confined very largely to providing relief for acute distress due to unemployment. We require community action for the prevention of unemployment. It is a common dictum that unemployment in general can be dealt with most effectively by governments, while seasonal unemployment can be dealt with by private employers. This is not the whole truth, for while much may be done by private employers to smooth out the peaks and the hollows of employment within their own enterprises, individual action would be inadequate to meet a situation such as arises annually in western Canada. The organized co-operative effort of private employers, of governments, of employees and of the public in general is essential to the solution of this problem. The public has too often taken it for granted that seasonal unemployment is natural because of climatic conditions or for other physical reasons and little or no attempt of an organized nature has been made to combat the detrimental influence of climatic or other physical causes.

Economic Loss Due to Unemployment.

The investigation revealed that while in the average year there were seasons of great industrial activity which provided ample opportunity of employment for able bodied wage earners in western Canada, there were other years in which, even at the busiest season, it was impossible for all wage earners to obtain employment. Every year there were periods of industrial inactivity varying from three to five months during which a very large percentage of the wage workers were either totally unemployed or were under-employed. Accurate statistics are not available to enable the amount of this unemployment to be stated definitely. A conservative deduction from the statistics now available and from inquiries made by the Commission would be that 25% to 30% of those gainfully employed in Manitoba

do not find employment at their regular occupations during the winter months. In addition to this number many others are under-employed in shops and factories where short time is the rule and others find only casual employment. This might be construed as an alarmist statement, but it must be remembered that a large percentage of those who are thus unemployed have, during the period of employment, enjoyed comparatively high rates of wages based on the supposition that they would be unemployed during a part of the year; others have drawn considerable sums in overtime wages at overtime rates. Thus, many of those who are seasonally unemployed are able to provide for themselves and their families throughout this period from their savings.

The economic waste is none the less and might be estimated at a quarter of a year's wages of a quarter to one-third of the wage earners.

This periodic unemployment becomes also a direct charge on the community through the necessity of providing unemployment relief for the destitute unemployed. The total cost of this relief in Manitoba from the winter of 1920-21 to the winter of 1926-27 averages approximately a quarter of a million dollars per annum, while the direct cost to the provincial government has averaged in the same period \$62,000 per annum. These direct and indirect costs represent an economic waste which cannot be regarded with indifference.

The investigation showed that conditions have improved within the last three or four years. The total amount of employment has been steadily increasing throughout Canada, in the Prairie Provinces and in the City of Winnipeg, and the distress due to seasonal unemployment has during the last two years considerably decreased.

The situation in Manitoba, and especially in the City of Winnipeg, is a peculiar one. Winnipeg as a city shows an employment index in all industries more constant throughout the year than the employment indexes of most cities in Canada, but nevertheless, because of the excessive disruption of industry throughout the Prairie Provinces, and because of Winnipeg's position as a distributing point for labour for the three Prairie Provinces, the surplus labour tends to congregate in the City of Winnipeg during the slack period.

Causes of Seasonal Unemployment.

The first and most obvious of the causes of seasonal unemployment is climate. Farm operations are almost at a standstill and approximately 3,000 agricultural labourers cannot find employment on farms during the winter season. The construction industry suffers from the severity of climate and throws out of employment not only a large number of those engaged in construction, but also a large number of employees of industries which are subsidiary to the construction industry.

Many of our factories have developed only a few lines of work and this specialization renders them very susceptible to seasonal movements.

Western Canada derives a very great percentage of its income from agriculture; over 70% of the net product of Manitoba is the

product of the farm. Wholesale and retail trade and many manufacturing establishments are dependent upon the western crop, and agricultural conditions naturally reflect themselves in the seasonal movements of all western trade. This dependence of western industry on agriculture may be said to be the chief cause of seasonal unemployment in Manitoba.

Immigration and Seasonal Unemployment.

It is generally believed that a new country such as Canada requires a constant flow of new immigrants in order to provide the labour necessary for the development of natural resources, especially the agricultural resources. While development is in progress there is little or no difficulty in assimilating into the economic structure an almost unlimited number of new immigrants if the proper type has been selected. Canada, however, is forced to recognize the fact that in recent years she has been unable to use her total labour power and that there has been a counter stream of emigration, so large at times that it exceeded the total number of immigrants. Manitoba as a province has had exactly the same experience, for in the last five-year census period Manitoba has not been able to keep her own natural increase. The population of Manitoba in 1921 was 610,118. Births in the period between 1921 to 1926 were 80,850; deaths, 26,698. This would give a total of 664,270, which is more than 25,000 in excess of the 1926 census figure. In this five-year period over 75,000 immigrants arriving in Canada gave Manitoba points as their destination, so that the province has lost from migration not only the 75,000, but 25,000 of its natural increase.

The question must be asked, "Are we obtaining the type of immigrant necessary to develop our natural resources?" The difficulties that beset the Immigration Department are not here minimized, but unless the stream of immigrants can be controlled there will continue to be an ever-increasing problem of unemployment.

Investigations revealed the fact that many new arrivals who had been admitted as agricultural labourers did not intend to engage in agricultural work and did not at any time throughout the season work on farms. Employment Service Officers stated that in spring and throughout the summer months numerous applications were received from recent arrivals for other than agricultural work. The placement services that are maintained by transportation companies have also directed many of the new immigrants into other than agricultural work. Where this work is of a permanent nature such a policy has little effect on the problem of seasonal unemployment, but too often the work obtained was of short duration, leaving the new arrivals in difficulty at the beginning of winter. The placement services of the transportation companies were active in the late fall endeavoring to obtain winter jobs for the new immigrants whom they had brought, and while their activity is to be commended it increased the difficulties of the Government Employment Service and reduced the possibilities of employment for older residents.

Seasonal Unemployment in Agriculture.

Manitoba, with its 53,251 farms largely devoted to the growing of small grains, demands a large amount of seasonal labour:

1. The demand for regular farm hands who are hired for six or seven months. Of these there are approximately 10,000 in the province, exclusive of the members of the farmers' families.

2. There is a supplementary demand in August and September for harvest hands amounting in the average year to ten or twelve thousand men whose period of employment on the farm will range from 20 to 60 days.

Agriculture in Manitoba is in a period of transition from the purely grain growing to the mixed type of farming. As this transition proceeds agriculture will be able to provide all year round employment for an increasing number of its labourers and will make a smaller demand for additional harvest help. Present tendencies in agriculture in Manitoba indicate that not only will more regular employment be provided but the demand for additional harvest help will be met by utilizing the surplus labour in Manitoba towns and cities without calling on excursionists from the east. In the last year, due partly to the shortness of the crop and partly to the more efficient mobilization of labour, Manitoba required only 1,200 eastern excursionists to assist in taking off her harvest.

Revolutionary changes in harvesting machinery are also contributing to lessen the demand for harvest help. The seasonal labour demands of Saskatchewan and Alberta will for many years continue to be great and so long as they continue, Winnipeg as a distributing point for this labour, will continue to be the rallying point of those out of work.

Seasonal Operation in the Construction Industry.

The construction industry, from the point of view of its seasonality, rivals agriculture in importance. While directly it accounts for only approximately 5% of the net product of the province, it involves a large number of wage earners and indirectly involves a larger number engaged in quarrying and manufacturing.

Activity in construction is closely related to general industrial activity, for the construction of new buildings results in employment not only in the building trades, but in the production of lumber, stone, iron and steel products, cement, lime, paint and a host of other materials.

If the amount of construction in any year or at any season of the year falls below the normal level employment in these allied industries is bound to be adversely affected. Conversely, if the building industry can be stabilized there will follow a stabilization of employment in these allied trades. The Commission therefore devoted a considerable proportion of its time and a considerable part of this report to construction in the belief that if seasonal unemployment is to be lessened to any extent, it must be through the extension of the building season. This season at present is regarded by many builders and the building public as commencing in April or May and extending into November, with almost a complete shut-down in January, February and March.

The experiences of contractors throughout Canada and the northern States have been collected and studied and it is believed that it is

now possible to continue building most types of structures at any period of the year. Some structures can be erected without any appreciable increase in cost. The cost of some other types of structures may be prohibitive.

The section devoted to this phase of the problem and the recommendations that have been based thereon deserve the most earnest consideration.

Transportation.

Great progress has been made in recent years toward the stabilization of employment in the transportation industry, but much remains to be done toward the stabilization of the construction and maintenance of railroad structures and equipment.

Some Suggested Remedies.

In addition to the suggestion made in the section on Construction, much can be done by private employers to stabilize employment within their own plants.* Much also can be achieved through the Employment Service by making it a true clearing house for all labour.† This can be accomplished by the provision of cheaper transportation which will increase the mobility of labour, and by arranging wherever possible the transfer of workers from industries that are temporarily slack to industries that are busy. This dovetailing, which is found effective in some countries, is less practicable in western Canada for reasons given in the sections on Agriculture and Manufacturing, but dovetailing is possible between agriculture and construction on the one hand and lumbering and mining during their development stages on the other hand.

If the suggestions made herein receive the wholehearted support of the public, seasonal unemployment will be reduced to a minimum and in the average year very little would require to be done in the way of relief. Any scheme of relief must be national in scope in order to be effective and protect it from abuse.§

*See Section on Manufacturing (Page 54).

†See Section on Employment Service (Page 67).

§See Sections on Unemployment Insurance and Unemployment Relief.

RECOMMENDATIONS

Construction.

With a view to extending the building and construction season, it is unanimously recommended:

1. THAT a long time building programme be arranged by the Provincial Government to act as a safety valve for unemployment in the building trades, and that the terms of contracts should be such as would compel the continuance of the work throughout the winter.
(See page 49)
2. THAT when buildings of a particular type are desired, Municipal authorities should encourage the building programme by agreeing to remit for a short period of years the building improvements portion of the Municipal Tax on buildings of the desired type when constructed during the winter season.
(See page 50)
3. THAT in order to stimulate winter construction the Municipal authorities should consider the advisability of remitting for a short period of years the building improvements portion of the Municipal Tax on buildings erected in winter.
(See page 50)
4. THAT the city authorities should enforce the bylaws in respect to tenement houses. Such an enforcement of law would improve health conditions and the remodelling of such tenements would afford work for mechanics in winter.
(See page 49)
5. THAT as much interior and frontage alterations as possible be undertaken in winter, since this type of work can be efficiently and economically done during that season.
6. THAT the attention of interested parties be directed to the beneficial effects of winter building campaigns in other cities on this continent.
7. THAT the work of the Board of Trade and other organizations of making a continuous appeal to the public on the subject of winter employment should be continued.
8. THAT a further study of winter construction be pursued by the Builders' Exchange and the Building Trades with a view to determining what types of building can be economically constructed in winter.
9. THAT Municipalities should plan their public improvements program before the end of the year in order to enable some of the work to be done during winter and to advance their programme so as to avoid the fall rush for completion which frequently necessitates competition between civic improvements and harvest in the labour market in August and September.

(See pages 38 and 51)

10. THAT a long time program of road construction, with as much standardization as possible, be arranged to enable the road construction season to be extended by beginning earlier in the spring, and to enable the fabrication of bridges and other structures during the winter season.

(See pages 53 and 57)

Manufacturing.

With respect to the stabilization of employment within the manufacturing industries the following recommendations are unanimously made:

11. THAT manufacturers, individually and collectively, should attempt off-season advertising in order to induce customers to place their orders so as to obtain off-season prices and take advantage of the greater efficiency obtainable in slack periods.
(See page 56)
12. THAT the Department of Public Works of the Province of Manitoba should plan an extensive program covering a three to five-year period, and wherever possible should so place orders for the materials necessary to that programme that those who supply the materials may take advantage of the slack season.
13. THAT the purchasing departments of the Dominion, Provincial and Civic Governments and large corporations be approached with a view to budgeting their purchases so as to place more orders during the off-season.
14. THAT the educational campaign sponsored by the Industrial Development Board should be continued by that body.

Employment Service.

In order that the Manitoba Branch of the Employment Service of Canada may be enabled to become a clearing house for all labour within the province the following recommendations are made:

15. THAT the Manitoba Employment Service be placed under the direction of the Bureau of Labour, instead of under the Department of Agriculture as at present, in order to bring the Service into closer touch with industry in the province.
(See page 68)
16. THAT the Manitoba Employment Service should, by personal canvass and by extensive advertising, seek to obtain access for its applicants to a greater variety of jobs.
(See page 68)
17. THAT the Employment Service maintain a closer touch with rural districts in order to predict more accurately the number and type of workers likely to be demanded.
18. THAT the Manitoba Employment Service should endeavor to obtain transportation rates for Manitoba harvesters similar to those obtained by eastern harvesters.

19. THAT the Women's Branch of the Manitoba Employment Service should be placed in a separate location from the general office.

(See page 70)

Relief.

In order to prevent acute distress due to unemployment it is recommended:

20. THAT a definite agreement between the Dominion, Provincial and Municipal authorities covering the financing of unemployment relief is absolutely necessary before any comprehensive and uniform plan can be devised.

(See page 76)

21. THAT the Provincial Government should, in co-operation with the Dominion Government, consider the advisability of establishing a national unemployment insurance covering all industries.

(See page 72)

C. P. R. HOTEL REGINA—BUILT IN WINTER



By courtesy of Smith Bros. & Wilson, Ltd.

Section 2

STATISTICAL INFORMATION

In this section an attempt is made to set forth as clearly as possible from the statistical information now available the facts concerning variation in the amount of employment in western Canada and to compare this fluctuation with the fluctuations which occur in other parts of the Dominion and in some other countries.

Table No. 1 and Chart No. 1 show the movement of the employment indexes for Canada, Prairie Provinces and Winnipeg. These employment indexes are prepared by the Dominion Bureau of Statistics from reports sent in by employers who employ 15 or more employees, and are based on the number of employees on the pay rolls of the reporting firms on the 1st of January, 1920. It will be seen from this table and the accompanying chart that the seasonal fluctuations in employment are more violent for the Prairie Provinces than for Canada as a whole, and it should be further noted that the figures for employment in agriculture are not included in this table. It will also be seen that the fluctuations in employment in the City of Winnipeg are much less violent than fluctuations for Canada as a whole.

A comparison of the employment indexes for all industries for Winnipeg, Hamilton and Montreal for the period, January, 1923, to December, 1927, shows that in Winnipeg the fluctuation from the peak to the slack period may vary from 3.2 per cent. to 9.1 per cent., while the parallel fluctuation in Montreal varies from 11.4 per cent. to 13.7 per cent, and in Hamilton from 3.7 per cent. to 15.6 per cent. Such figures would suggest that Winnipeg as a city has its industry organized so that its employment is more regular throughout the year than is the employment of Montreal or Hamilton. The exceptionally difficult problem which Winnipeg is called upon to face each winter can therefore be said to be due, not to unemployment in Winnipeg industries, but to unemployment in industry in the western provinces, and especially due to unemployment in agriculture, and to the fact that Winnipeg, which is the Gateway to the Prairies, and the natural distributing point for prairie labor, becomes the mecca of the unemployed during the slack winter months.

In view of these facts, and also in view of the statements made in the section on "Agriculture," that the proportion of farm labor thrown idle in Manitoba compared with the proportion thrown idle in the two provinces further west is relatively small, it can be seen that the problem of unemployment relief in Manitoba, and specially in Winnipeg, is essentially an inter-provincial problem, and that the burden of its solution should not fall wholly on the City of Winnipeg, nor on the Province of Manitoba.

Seasonal Periods in Winnipeg and Other Countries.

That this question of seasonal unemployment is not confined to Western Canada, nor to Canada as a whole is shown by the following statement made by Sydney Webb,* who is recognized as one of the greatest authorities on labor problems:

*"Seasonal Trades" by Sydney Webb, Introduction Page vii.

TABLE No. 1

INDEXES OF EMPLOYMENT IN ALL INDUSTRIES—CANADA, PRAIRIE
PROVINCES, WINNIPEG, HAMILTON AND MONTREAL

Year and Month	Canada	Prairie Provinces	Winnipeg	Hamilton	Montreal
1923					
January	86.3	90.0	92.6	81.5	79.8
February	89.5	91.6	89.0	86.0	86.2
March	89.9	88.9	86.4	89.2	85.9
April	87.6	83.5	85.7	88.4	83.3
May	91.4	90.4	86.3	92.6	88.8
June	97.3	95.5	87.1	94.6	95.4
July	99.5	101.4	87.7	91.4	95.9
August	100.2	104.3	91.0	93.3	97.3
September	100.0	101.1	89.9	92.2	93.6
October	99.5	100.7	89.4	91.1	98.7
November	98.8	99.2	88.6	89.7	99.1
December	95.7	99.3	88.2	88.5	93.6
1924					
January	88.7	94.3	85.3	79.0	86.3
February	90.6	92.1	84.7	84.3	87.1
March	90.7	89.6	83.8	83.2	87.7
April	89.3	87.0	82.3	85.2	90.1
May	91.8	89.4	83.0	86.4	92.3
June	95.2	94.1	83.6	83.1	96.2
July	95.9	99.1	85.6	81.7	94.8
August	94.7	96.4	85.5	80.9	95.1
September	93.1	93.9	86.4	79.4	92.9
October	93.9	91.4	86.1	80.4	93.7
November	93.0	94.1	84.2	79.6	92.4
December	90.8	91.8	83.5	77.3	93.1
1925					
January	83.9	88.1	81.4	77.0	82.5
February	86.1	88.4	84.2	77.3	85.3
March	87.0	85.0	82.7	80.1	86.7
April	87.2	84.1	83.7	80.3	88.5
May	90.8	88.0	85.4	82.4	91.7
June	94.5	93.1	85.5	83.9	95.6
July	96.8	95.9	85.6	86.0	95.7
August	96.3	97.3	87.7	84.8	97.0
September	96.6	96.0	88.0	86.9	97.3
October	98.3	99.8	89.4	88.3	99.4
November	97.1	99.1	92.5	87.7	99.3
December	95.3	97.5	91.5	88.7	97.0
1926					
January	89.6	95.1	89.3	85.0	88.0
February	90.7	90.7	89.8	86.9	88.3
March	91.5	88.6	90.8	88.5	89.6
April	91.4	88.2	90.7	90.3	93.1
May	94.3	92.5	92.7	94.0	96.0
June	101.0	103.5	96.9	96.0	103.1
July	103.7	107.3	98.3	97.6	104.5

August	104.2	106.5	98.7	98.8	104.8
September	104.9	106.9	101.6	100.3	104.6
October	105.2	110.0	104.9	99.7	104.3
November	102.8	107.7	103.7	98.4	103.3
December	101.1	105.4	105.4	96.6	100.6
1927					
January	94.8	100.6	99.3	93.1	92.5
February	95.4	97.2	97.5	93.1	93.3
March	96.3	95.9	97.1	94.2	94.6
April	96.2	94.8	96.3	96.3	96.8
May	100.6	99.7	97.2	97.4	100.6
June	105.9	107.2	99.0	100.2	103.1
July	108.4	111.5	102.0	99.9	104.9
August	109.2	114.8	103.6	101.7	104.8
September	109.7	115.2	107.4	98.1	106.4
October	109.0	112.5	106.2	98.3	107.2
November	107.5	111.5	105.7	101.0	108.0
December	106.8	111.6	108.9	101.9	107.3

"Taking the actual facts of the last ten years, whilst January is the slackest month in iron-mining and the furnishing trades, it is actually the busiest at the docks of London and other ports (except those dealing with the Baltic), and one of the busiest for coal mining; in February the plumbers have most unemployment, but the paper making trade is at its briskest; in March and April the coopers are at their slackest, but the steel smelters, the great industries of the textiles and multifarious furnishing trades are busy; May and June are the worst of all months for the great industry of coal mining, as well as for the London dock laborers, but they are the best of all months for the wide ramifications of the clothing trades, as well as for the mill sawyers; July sees the iron and steel and tinplate works at their lowest ebb, but the railway service and all the occupations of the holiday resorts are near their busiest; in August and September the papermakers, printers, bookbinders, textile operatives and tobacco workers are more unemployed than at any other time, but (besides the railway and steamboat lines and all occupations of the holiday resorts), all forms of agriculture harvesting are at their height, the clothing trades are at their very slackest in October, but the iron and steel are then at their busiest; November, on the average, sees the best of all months for printing and book-binding, tobacco and tinplate, and for most of the metal trades; December is the worst of all months for carpenters and engineers, mill-sawyers and coach-builders, leather-workers and brushmakers, but then it is the best of all months for coal miners, the very extensive theatrical industry, the post-office service and the producers of gas and electric light. If the Board of Trade had available statistical evidence as to other industries, there is every reason to believe that we should find the same 'infinite variety' in the seasonal slackness."

If this quotation be analyzed it will be found to indicate that in such a country as Britain the seasonal movements in the various trades do not by any means coincide, but that the slack period for one trade may be the busy period in another.

Webb †further states: "Stating it definitely, I venture to say that if we could get accurate statistics of the total number of wage-earners actually in employment in the United Kingdom this week we should find it to be nearly identical with the total number for any other week of the present year. This is almost certainly true with regard to the great mass of unskilled and only slightly specialized labor, which makes up more than half of the whole." Webb** then adds: "From this hypothesis there seems to flow the momentous conclusion that the seasonal alternations of overpressure and slackness to which so many workers are subjected with such evil results, are due to failures of adjustment."

It will be seen that some of the trades represented as having their busy seasons in the winter do not have this movement in Canada, and especially in the west, and that in some cases there is actually a reverse movement, e.g., in the iron and steel industry. Webb shows that this industry is at its lowest ebb in July in the Old Country, with its peak in October, while the Dominion Government statistics for Western Canada show that the peak month is in June, with busy months from May to October, and the slackest month in December, with very little activity from November to April. In transportation also Webb indicates that railway service is near its height in July, continuing, of course, through August and September; whereas in Canada steam railway operation is at its peak in October, with its busy season running from September to December. Electric transportation, generally street car service, has its peak in Winnipeg during the winter months. A few of the trades coincide in their seasonal movement, such as paper making, printing, and allied trades, which have their slack period in England during August and September, and in Western Canada in July and August, with their busy season in the early part of the winter. Carpenters have their poorest time in Britain in December, and have the slack period generally beginning in December in Winnipeg and continuing until the 1st of April. Webb indicates that the textile trades are flourishing during March and April, but are at their slackest in October; whereas in Winnipeg we see the textile trades enjoy two busy seasons annually, the first being from February to May, and the second from September to December.

The discrepancies between the movements in Great Britain and in Canada are due to any one of three causes:

1. Climate—In the iron and steel industry the slack period in Canada is in the winter months, because this industry is very closely connected with construction work, of which little is done during the winter season. Excursion traffic of Britain boosts railroad employment during the summer months, whereas the severe winter weather of Canada causes many automobile owners to store their automobiles and use the public utilities.

2. In Canada, and especially in Western Canada, industrial development is still in its infancy, and many of the establishments have developed only a few lines of manufacture. This specialization renders Canadian industry more subject to seasonal fluctuation.

†"Seasonal Trades," by Sydney Webb. Page viii.

**"Seasonal Trades," by Sydney Webb. Page ix.

PERCENTAGE EMPLOYMENT IN IRON AND STEEL INDUSTRY IN
MANITOBA—BY MONTHS

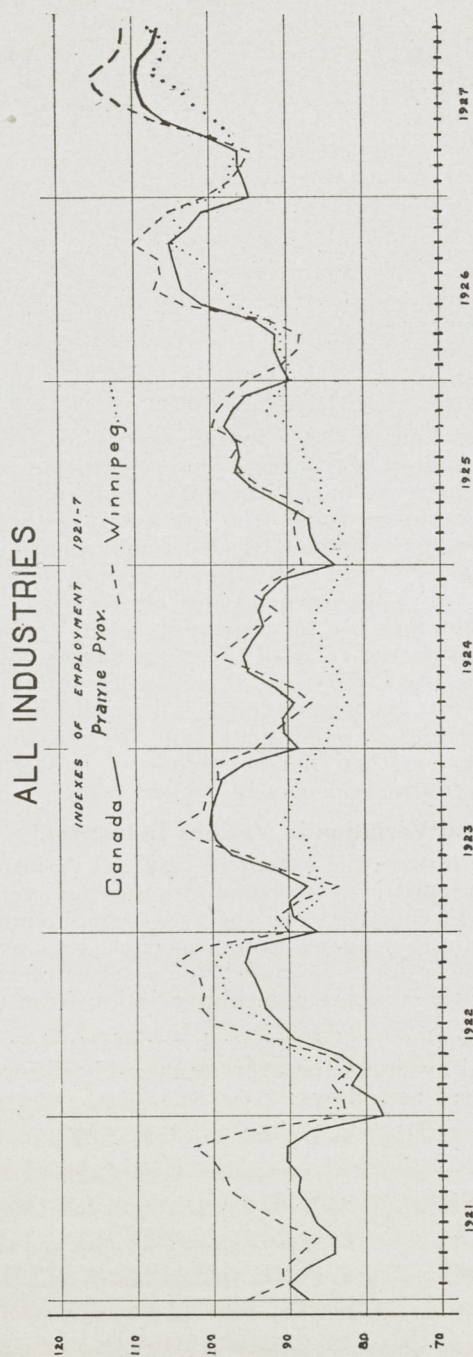
Month.	Per cent.
January	82.5
February	83.9
March	86.6
April	85.6
May	97.9
June	100.0
July	98.1
August	92.8
September	95.1
October	91.1
November	80.8
December	75.2

3. It may be due to the dependence of western industries on the movement of the wheat crop. The expectation of good sales in the fall, and the increase in the amount of money in circulation during the period of crop movement, are reflected in the purchasing activity of the agricultural population, and make business more brisk. Not only is the agricultural population spending, but the workers in factories and in stores who depend entirely for their livelihood upon the crop movement, increase their spending. Since the amount of these purchases depends on the value of the crops harvested it is impossible for tradesmen to stock up very far ahead, or for manufacturers to make-to-stock, for if the crop were to fail, or the market for agricultural products were to experience a serious decline, they would be left with "dead" stock on their hands. Trade in western Canada in all these phases, therefore, is dependent on the crop.

Extent of Seasonal Variation in Various Industries.

In order to measure the extent of seasonal variation from month to month in each industry a twelve month moving average was calculated, and the difference between the actual employment indexes and the twelve month moving average was stated as a plus or minus amount. Differences for each month for a series of years were then averaged, giving the average monthly variation from the trend.

In the construction trades, general manufacturing and the manufacture of animal products the average monthly differences from the trend are expressed as follows:



NOTE THE DEPRESSION AND IRREGULAR MOVEMENT IN WINNIPEG FROM
 1923 TO 1925 INCLUSIVE.

TABLE No. 2
SPREAD IN INDEXES OF EMPLOYMENT FOR
ALL INDUSTRIES,
1923-1927

WINNIPEG	MONTREAL	HAMILTON
AUGUST, 1923, TO APRIL, 1924 Peak - August..... 91.0 Slack - April..... 82.3 Difference..... 8.7	NOVEMBER, 1923, TO JANUARY, 1924 Peak - November.. 99.1 Slack - January..... 86.3 Difference..... 12.8	JUNE, 1923, TO JANUARY, 1924 Peak - June..... 94.6 Slack - January..... 79.0 Difference..... 15.6
SEPTEMBER, 1924, TO JANUARY, 1925 Peak - September.. 86.4 Slack - January..... 81.4 Difference..... 5.0	JUNE, 1924, TO JANUARY, 1925 Peak - June..... 96.2 Slack - January..... 82.5 Difference..... 13.7	MAY, 1924, TO JANUARY, 1925 Peak - May..... 86.4 Slack - January..... 77.0 Difference..... 9.4
NOVEMBER, 1925, TO JANUARY, 1926 Peak - November.. 92.5 Slack - January..... 89.3 Difference..... 3.2	OCTOBER, 1925, TO JANUARY, 1926 Peak - October..... 99.4 Slack - January..... 88.0 Difference..... 11.4	DECEMBER, 1925, TO JANUARY, 1926 Peak - December.. 88.7 Slack - January..... 85.0 Difference..... 3.7
DECEMBER, 1926, TO APRIL, 1927 Peak - December.. 105.4 Slack - April..... 96.3 Difference..... 9.1	AUGUST, 1926, TO JANUARY, 1927 Peak - August..... 104.8 Slack - January..... 92.5 Difference..... 12.3	SEPTEMBER, 1926, TO JANUARY, 1927 Peak - September.. 100.3 Slack - January..... 93.1 Difference..... 7.2

TEXTILES Winnipeg

INDEXES OF EMPLOYMENT APRIL 1921 - MARCH 1927
AVERAGE BY MONTHS

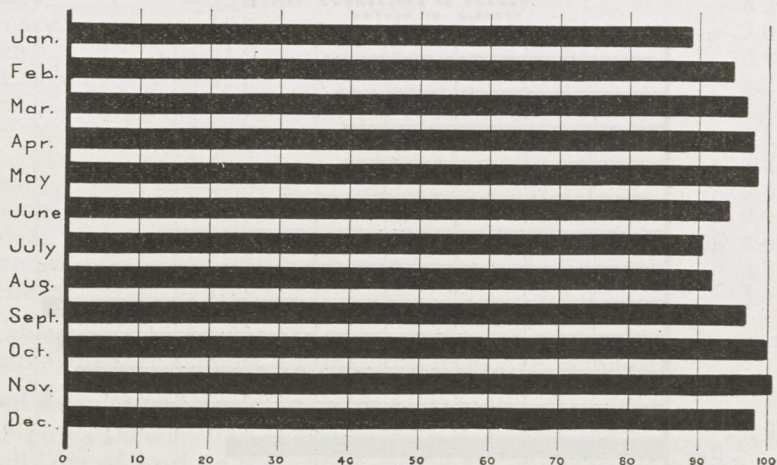


CHART No. 2

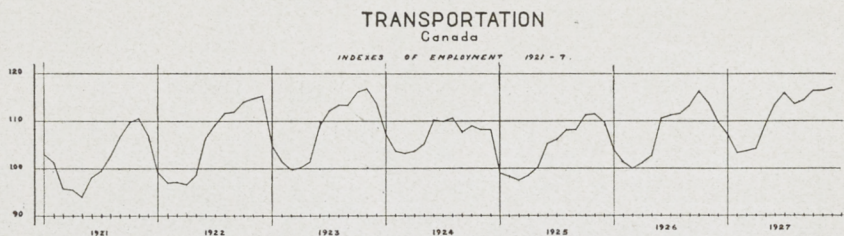


CHART NO. 3

MANUFACTURING Canada

*INDEXES OF EMPLOYMENT 1921-6
AVERAGE BY MONTHS*

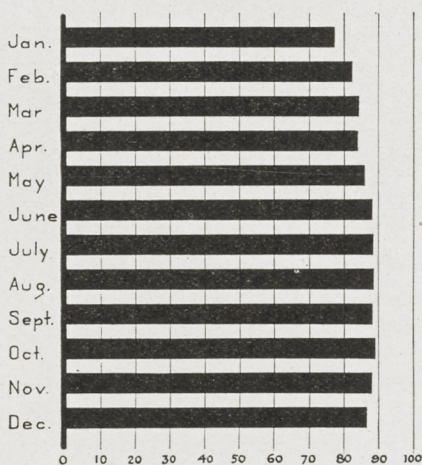


CHART NO. 4

CONSTRUCTION & MAINTENANCE Canada

*INDEXES OF EMPLOYMENT 1921-6
AVERAGE BY MONTHS*

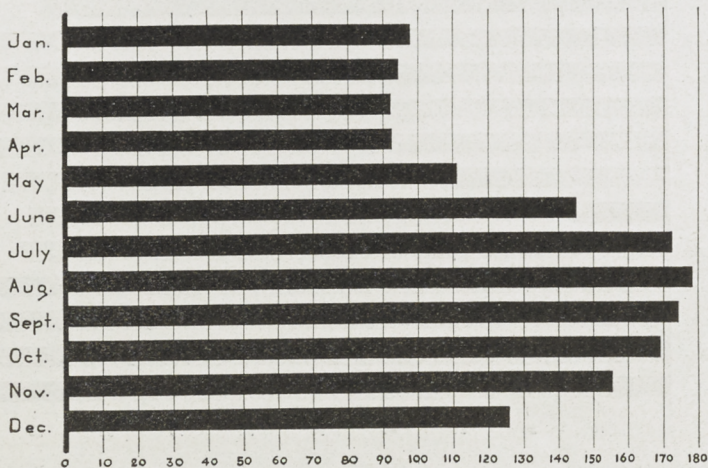


CHART NO. 5

TABLE NO. 3

AVERAGE MONTHLY DIFFERENCE FROM TREND OF EMPLOYMENT
WINNIPEG 1923-1927

Month	Construction	General Manufacturing	Manufacture of Animal Products
January.....	—22.4	—3.8	— 3.4
February.....	—39.8	—3.1	— 2.5
March.....	—27.2	—3.5	— 8.0
April.....	—27.0	—2.8	— 8.8
May.....	—19.1	—2.0	— 9.4
June.....	+17.8	— .2	— 4.7
July.....	+32.6	+ .03	— 5.2
August.....	+29.4	+1.3	— .07
September.....	+39.0	+3.6	+ 6.3
October.....	+30.3	+3.7	+11.1
November.....	+21.8	+3.8	+ 9.6
December.....	+ 1.2	+2.6	+ 9.6

The construction industry shows quite a violent fluctuation even on the average, and it is noteworthy that the figures given include the winters of 1925-26 and 1926-27, when exceptionally good conditions obtained in the construction trades, because of the continuance of operation on the Hudson's Bay building and other smaller jobs. The figures for 1927-28 will be considerably below those of 1925-26 and 1926-27, as building operations have, with a few exceptions, ceased for this winter. General Manufacturing and the Manufacture of Animal Products also show considerable seasonal fluctuation.

Similar measurements can be made of the employment indexes in industries for Canada as a whole. Some examples are shown in the Table No. 4:

TABLE NO. 4

AVERAGE MONTHLY DIFFERENCE FROM TREND OF EMPLOYMENT
CANADA, 1921-1927

Month	Construction	Manufacturing	Transportation	Services
January.....	—35.0	—8.3	—3.4	— 6.2
February.....	—41.7	—4.1	—6.1	— 7.0
March.....	—41.9	—1.7	—7.1	— 6.4
April.....	—42.0	—1.5	—6.5	— 5.2
May.....	—21.8	+ .5	—4.9	— 4.1
June.....	+14.7	+3.0	+1.4	+ 2.5
July.....	+38.2	+2.5	+2.0	+ 8.2
August.....	+44.9	+2.5	+3.5	+10.4
September.....	+39.7	+2.1	+4.0	+ 9.9
October.....	+34.2	+2.6	+6.5	+ 4.6
November.....	+19.8	+1.6	+6.2	— 2.5
December.....	—10.8	— .2	+4.0	— 5.1

Table No. 5 shows the average monthly differences from the trend of employment in Canada, Prairie Provinces and Winnipeg.

Actual Amount of Unemployment.

Figures showing the numbers of employees in the various trades actually out of work in the winter season are not obtainable with any

TABLE NO. 5
AVERAGE MONTHLY DIFFERENCE FROM TREND OF EMPLOYMENT
CANADA - PRAIRIE PROVINCES - WINNIPEG

Month	1921-27 Canada	1921-27 Prairie Provinces	1922-27 Winnipeg
January.....	—6.5	—4.0	—1.4
February.....	—4.9	—5.1	—1.8
March.....	—3.8	—7.1	—2.7
April.....	—5.1	—9.6	—3.2
May.....	—2.4	—5.5	—2.0
June.....	+2.6	+4.9	— .7
July.....	+3.5	+4.8	+ .3
August.....	+3.9	+5.6	+1.9
September.....	+3.7	+4.6	+2.8
October.....	+4.4	+5.6	+3.3
November.....	+3.5	+6.1	+3.1
December.....	+1.2	+3.1	+2.9

degree of accuracy, but taking only those industries which show a slack period in the winter months, and comparing the number of employees in the peak month with the number in the slackest month, we find that there are out of a total of 33,658 employees 9,380 unemployed in the winter, or 27.9 per cent. Of this number of unemployed 9,141 are men, or 28.3 per cent. of the total number of men employed in these industries at the peak; while the number of women in the industries concerned unemployed in the winter is 28.4 per cent. of the total women. These figures do not include construction workers, of whom there are over 4,000 in the province. The number unemployed at this period of the year from this industry is estimated at 50 per cent., with another 20 per cent. under-employed. Neither do these figures include agricultural labor, and a conservative estimate of the amount of agricultural labor that is not employed in agriculture during winter places the figure at 3,000 men.

Approximately 5,000 men find winter employment in logging in Manitoba and western Ontario, and less than 2,000 are absorbed by other industries. This leaves 8,000 wage earners unemployed, or very seriously under-employed for a considerable period of the winter season.

Section 3.

AGRICULTURE

Seasonal Demand for Agricultural Labour.

Farming is always a seasonal business, but when farming has become specialized as in Western Canada, and is devoted primarily to the growing of wheat and other small grains, the demand for labour is exceptionally seasonal. Western Canada is in this respect the most outstanding example of the necessity of mobilizing for a short period of the year a very large force of labor, which cannot possibly under the present system find regular employment in agriculture in the western wheat fields, but which must be recruited either from the ranks of the industrial workers or imported from other sections of the country for a short period of time, and, if possible, at the conclusion of this short period reshipped to the district from which they have come.

The demand for agricultural labor in Western Canada begins generally in April, or early in May, when a large number of hands are employed who expect to remain six or seven months on the farm, and in the harvest season, commencing early in August, there is a supplementary demand for harvest hands which absorbs all the surplus labour of the cities, towns and villages of Western Canada, withdraws from the construction work and other employments a considerable force of unskilled labour, and still unsatisfied must draw on Eastern Canada annually for from forty to sixty thousand additional workers.

TABLE NO. 6

PLACEMENTS MADE BY EMPLOYMENT SERVICE OF CANADA FOR
FARMING IN MANITOBA

Month.	1925	1926
January	512	325
February	472	396
March	908	1058
April	1710	1622
May	571	721
June	666	630
July	1431	1380
August	6030	7300
September	4105	4856
October	1405	2171
November	581	1129
December	421	700

The accompanying table No. 6 shows the placements in farming made by the Employment Service of Manitoba during the years 1925 and 1926, revealing the increased demand in March and April, and the tremendously increased demand in August and September. Comparatively few vacancies are reported in November, December, January and February, so that many hands who have been employed either for the summer season or for the harvest period alone cannot find employment in agriculture during the winter. Many of these unemployed agricultural labourers drift to the cities for the winter months, and swell the ranks of the unemployed workers there.

Harvest Excursions.

The present system of obtaining extra hands for the harvest from Eastern Canada is generally commended by authorities on employment questions. If all extra hands imported at that time found their way back to their original homes they would not constitute a problem, but each year a considerable percentage remain behind because they have desired to try their luck in the newer districts of the west, or because they have failed during the harvest season to earn enough money to pay their transportation back. So long as the present system of farm organization and farm management is practised in the west, so long will there be necessity for obtaining this external labor supply, and so long will the seasonal unemployment problem of Western Canada be accentuated.

In order to compare the relative demand for additional harvest help in the three western provinces the following details are necessary: In Manitoba it is estimated that there are over 53,000 farms; in Saskatchewan, 120,000 farms; and in Alberta, 83,000 farms. The average sized farm for the three provinces is respectively 275 acres, 368 acres and 352 acres, with the average area in field crops respectively 110 acres, 150 acres and 103 acres. With the exception of harvesting the farm force required in the three provinces is: Manitoba about 100,000 men; Saskatchewan about 200,000 men and Alberta about 130,000 men. These figures include operators, farmers' sons and hired men. To take care of the harvest within a reasonable time Manitoba requires to increase her farm force by 9 or 10 per cent.; Saskatchewan by 20 to 25 per cent., and Alberta about the same figure. Manitoba can draw almost two-thirds of this extra force from her own surplus labour of the cities, towns and villages. This year only in the neighborhood of 1,200 eastern harvest excursionists were required in Manitoba. Saskatchewan draws less than one-third of this additional harvest force from the towns and villages, and absorbs more than one-half of the total number of harvesters imported from the east. Alberta secures only a small proportion of this additional force locally, but draws from the surplus labor of British Columbia more than one-half of the number required, the balance being secured from amongst eastern excursionists. It will thus be seen that so far as seasonal unemployment in Western Canada is accentuated by the non-return of eastern excursionists, Saskatchewan is likely to contribute by far the greatest part, while the needs of Manitoba are so small that this factor might be considered negligible. This situation in Manitoba is the result of several factors. First, there are a large number of farmers who have exceptionally small holdings, and many of those who live in the eastern and north-eastern portion of the province leave their own district to work in the harvest fields in other portions of the province, some going to other provinces. Further, the surplus labor of Winnipeg and other cities, towns and villages appears to be much greater than that available in Saskatchewan or Alberta. In view of these facts it cannot be said that the unemployment problem of Manitoba, and especially of the city of Winnipeg, is due to Manitoba's harvest requirements, and if the surplus labour of Manitoba could be efficiently mobilized for harvest work, Manitoba in average years would not require any extra force from outside.

In order to achieve this, some changes would require to be made in the organization of the Employment Service, whereby that service would be enabled to maintain a closer touch with the districts, not only those requiring help, but those having surplus labor. Further it would seem advisable for the Employment Service to attempt to obtain cheaper rates of travel for Manitoba's surplus labour, especially that of Winnipeg, and the recommendation of this commission is that through the Employment Service, Manitoba harvesters should be able to obtain transportation rates comparable with those obtained by eastern harvesters. This might be obtained by direct negotiation with the railroad companies, and if not obtainable from that source, might be provided for by government assistance. This would not necessarily be an additional charge on the taxpayer, for if the surplus labor of Winnipeg were well employed through the harvest season the demands on the unemployment relief fund would be considerably less. The placing of this transportation privilege in the control of the Employment Service would prevent abuses, and would encourage the greater use of the Employment Service both by the employer and the employee.

Trend in Western Agriculture.

At present there are indications that the trend in western agriculture is toward a more diversified type of farming, which as it comes about will lessen this evil of seasonal unemployment. During the last ten years there has been a considerable decrease in the acreage sown to wheat and oats in Manitoba, and a considerable increase in the acreage sown to barley, rye and flax. There has also been a considerable increase in the amount of forage crops grown (alfalfa, sweet clover and grasses). This increase in early maturing crops, i.e., barley, rye and forage crops, should indicate that the demand for harvest labor will come earlier than formerly, and that it will extend over a longer period. The increase in forage crops also indicates a corresponding increase in livestock, and where livestock is kept the farm labor is generally employed all the year round.

Charts No. 6, 7 and 8 show the distribution of man labour by months on typical grain farms, mixed farms and dairy farms, and illustrate how agriculture may ultimately be able to provide regular employment for its own labour.

The Combine.

Further, the difficulty of obtaining an adequate and efficient labour supply for the rush periods in agriculture has acted as an incentive to the development of new machinery, which will lessen the demand for unskilled labor. One of the most recent and most far reaching inventions is the Combined Reaper-Thresher. This machine has proved successful in the grain farming areas of Kansas, Montana and the Dakotas, and it has found its way into Western Canada, where already some 534 machines have been in operation, there being 31 in Manitoba, 302 in Saskatchewan and 201 in Alberta. Professor G. L. Shanks, of the Manitoba Agricultural College, summarizes the possibilities of the combine in Manitoba as follows:

1. By eliminating stooking, twine, the bundle rack and teamster, labour and material costs are reduced. The total saving on a 20

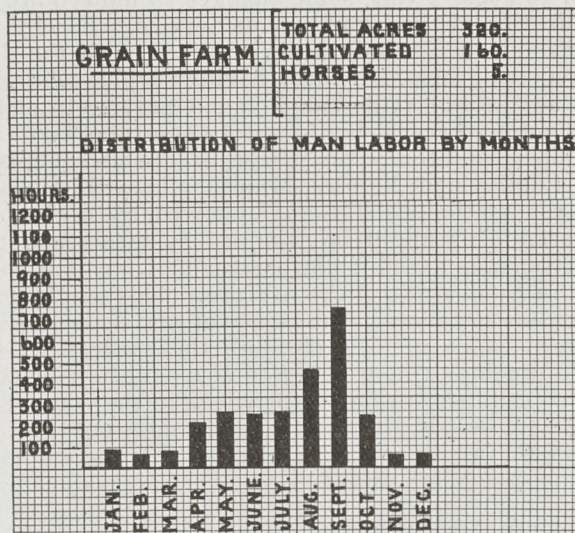


CHART No. 6

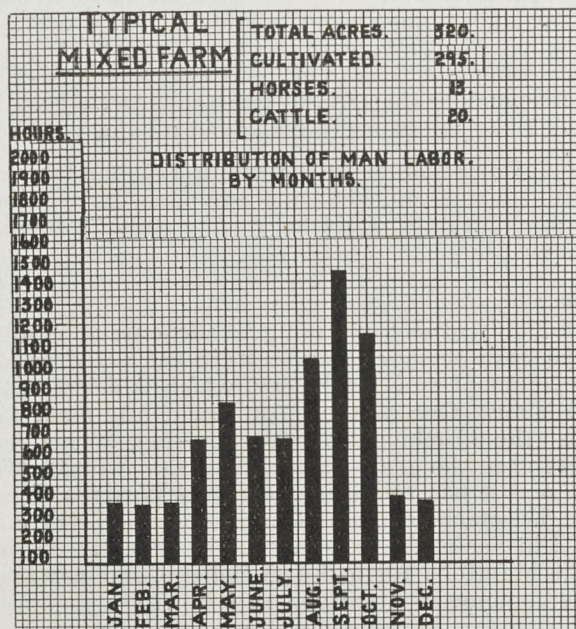


CHART No. 7

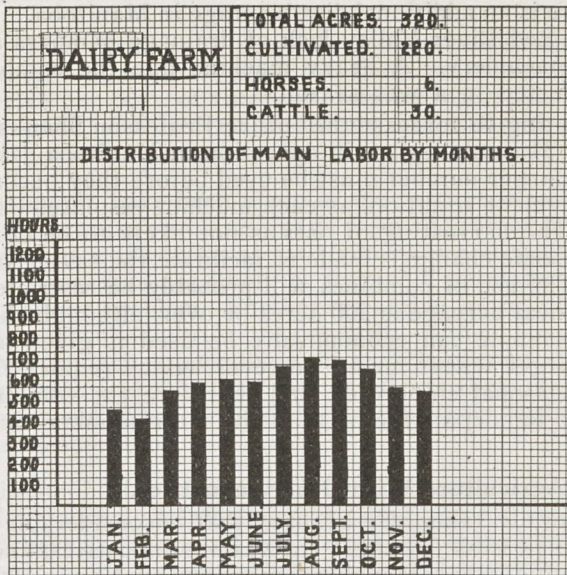


CHART No 8

bushel wheat crop is estimated by various authorities at from 7 to 10 cents per bushel.

2. A saving in grain wasted by other methods. On the average the combine will show a saving of at least three per cent. over the older method.

3. The possibility of harvesting short weedy crops, which otherwise would be burned.

4. Reduction in cost of feeding harvest help.

Over against these advantages the combine has these weak spots:

1. Green weeds in ripe grain impede the threshing, and makes separation difficult.

2. The probability of grain being graded tough or damp since it is difficult to tell the exact stage at which to harvest by the combine.

3. The hazards of rain, wind, frost and hail. The longer grain stands uncut, the longer it is exposed to these hazards. In this connection it may be noted that binder cutting usually starts ten days to two weeks before combining, and that the hazards mentioned above are therefore continued for this additional period when the combine is used.

4. The non-adaptability of the combine to all kinds of grain. Combines can be used for harvesting wheat, rye, flax and barley. Oats while possible to combine can rarely be ripened without much loss from shattering, and in addition the straw is usually required for feed. While with a straw buncher most of the oat straw may be saved, it is only at a considerable expense.

5. There is an additional disadvantage in Manitoba. In the flood lands of the Red River Valley lack of drainage hampers all types of harvesting machinery. A heavy machine like the combine is very seriously affected in a wet season.

In attempting to forecast the future Professor Shanks says: "At present only 31 combines are in operation in Manitoba. It is evident that a much larger number must be used before they become a factor in the employment situation, as each machine displaces only three or four men. The harvesting of oats is not likely to be done by combines unless some change is made to facilitate the saving of the straw for feed. The use of combines will probably be restricted to farms where the wheat acreage is 200 acres or over, although the low point where the combine can economically be used is given as 60 acres. It is these larger wheat farms, however, which require the greatest number of seasonal employees, and therefore the combine is likely to be a more important factor than the mere numbers in use would indicate."

Dovetailing Agriculture With Other Industries.

It is generally taken for granted that a considerable amount of dovetailing is possible amongst the various industries, and especially that the exceptionally seasonable demands of such an industry as agriculture can be met quite readily by the transfer of workers from other industries. Recognizing that such dovetailing was commonly practised in other countries where there is a seasonal demand for farm workers, such as hop picking in England and fruit picking and packing in the Pacific States, the commission spent considerable time inquiring into the feasibility of such dovetailing in Western Canada. First the employment figures for industries were considered with a view to finding out what industries had their slack periods contemporaneous with the harvest period or nearly so. Industry in Western Canada is revealed from such a study to be slightly different from corresponding industries in other countries in that there are few branches of industry which show their slack period in August and September. Some show slackness earlier in the summer but most of the industries show a distinct bulge in their business and employment during the months of August, September, October and November. One or two notable exceptions of this are worth mentioning. Some of the textile trades, printing and allied trades, have their slack period during the harvest months, but in general the workers in these trades are not anxious to engage in harvest operations, nor are they by their training fitted for the strenuous outdoor work. Neither are the farmers anxious to hire such labour during their busy season, and the introduction of the eastern harvester provides the type of labour which they desire. Many uninformed persons believe that harvesters imported from the east are not agriculturists by occupation or training. An investigation made while the harvesters were arriving in and passing through Winnipeg this season revealed the fact that while there were representatives from almost every conceivable occupation, 80.6 per cent. of these harvesters were farmers or farm labourers, and 4.7 per cent. were labourers. Some were mechanics, engineers, gardeners, landscape gardeners, and such other tradesmen as might readily adapt themselves to the work of the western harvest. In all, 89.2 per cent. of the excursionists interviewed had previous farm

experience. Fifty-five per cent. of those interviewed had previously been on harvest excursions, some of them as often as five or six times. Twelve per cent. of those interviewed were this year's immigrants dissatisfied with eastern conditions, and taking the opportunity to investigate conditions and to try their luck further west.

Some attempts have been made in the past, especially during the war years, to organize stooking gangs from the towns to work in the harvest fields, but while this was satisfactory as a stop-gap during the scarcity of labour, it is not likely to furnish a permanent solution to the harvest labour problem. Further, as stated more fully elsewhere in this report, other industries are generally in their busy season during the harvest month, especially if the crop happens to promise well, and the employers feel that they cannot release their men during this month without suffering considerable loss in their business, for it is their harvest season too.

With the lumbering industry, however, there is considerable possibility of dovetailing, and this has been going on for years. Unskilled bush workers are recruited very largely from the ranks of the unskilled labour of the cities and agricultural labourers. Each year thousands of men from these walks in life find employment in the lumbering camps. A further possibility for dovetailing in Western Canada is with the mining industry. While mining itself is not a seasonal occupation, during its development stages, especially in the northern areas, it will continue to provide considerable opportunities for the employment of unskilled labour in road making, freighting, rough construction work, stripping and open-cut mining. Developments in immediate prospect are likely to absorb much unskilled labor this winter.

These two outlets which provide employment in winter to a greater extent than they do in summer are the only outlets, and the extent to which they absorb unemployed agricultural labour is dealt with in in the section on "Lumbering and Mining."

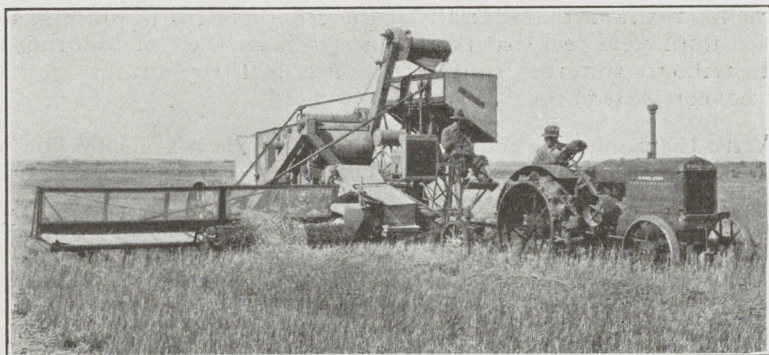
The fishing industry provides employment in winter for many farmers, especially those in the vicinity of Lakes Winnipeg, Manitoba and Winnipegosis. Approximately 4,000 men are engaged in fishing annually, and this provides not only winter employment but in many cases also the major portion of the annual income of the farmers. Indeed many of those engaged are fishermen first and farming is for them a side line.

More dovetailing might be possible between agricultural labour and unskilled and semi-skilled labor if pressure could be brought to bear upon public authorities and large corporations in order to have them begin their construction work earlier in the spring, and allow their program to lapse or be carried forward only with a minimum force during the harvest months. The type of labour that is employed on railroad extra gangs and city street improvements is the type of labour which can readily adapt itself to the work of harvesting.

Many cities and towns, however, are found hurrying their local improvements program during the harvest months, and the railroad corporations and construction companies are found calling for extra

help during this period. If these extra gangs employed in railroad work and city improvements could by the proper planning of the program be released during August and September much of the necessity of importing labour would vanish. The changes necessary in the construction programs would not entail any additional expense, because, as at present organised, very often high prices have to be paid for common labour during the harvest months, and some contractors have even found it more economical to shut down during this period rather than pay the high wages necessary to hold their labourers.

A COMBINE WITH SWATHER ATTACHMENT



Section 4.

CONSTRUCTION.

One of the greatest contributors to the problem of seasonal unemployment is the construction industry, which shows throughout Canada a very great fluctuation between the amount of work done in summer and the amount done in winter. In Western Canada the fluctuations is greater than the average for Canada as a whole. Table No. 7 shows the amount of employment by months in the construction industry for Canada, Prairie Provinces and Winnipeg.

Chart No. 9 which graphically presents the figures for construction in Canada shows that while the trend is upward the fluctuation between summer and winter is not only great but very regular. On the surface it would appear that the reason for the practical cessation of construction work in winter is climate, but authorities are practically

TABLE No. 7
INDEXES OF EMPLOYMENT IN CONSTRUCTION 1924-1927

CANADA				
MONTH	1924	1925	1926	1927
January.....	98.8	93.3	103.3	119.2
February.....	94.2	98.3	99.5	110.2
March.....	93.1	95.8	107.0	117.8
April.....	91.4	96.8	113.7	118.1
May.....	111.2	125.6	134.6	154.7
June.....	147.3	155.9	186.7	197.8
July.....	175.8	187.5	216.8	235.1
August.....	173.1	180.3	223.4	244.8
September.....	165.3	175.5	217.6	245.2
October.....	157.5	169.7	206.8	227.9
November.....	144.9	154.2	181.3	199.0
December.....	116.6	128.3	148.9	162.2
PRAIRIE PROVINCES				
January.....	88.1	80.3	104.8	121.0
February.....	86.8	82.6	89.3	109.4
March.....	79.5	79.8	94.3	110.6
April.....	82.8	80.8	102.1	102.4
May.....	107.0	129.6	143.3	150.9
June.....	150.9	170.1	231.3	209.0
July.....	198.7	187.8	250.6	230.6
August.....	187.2	187.2	230.9	256.6
September.....	148.3	174.0	220.1	245.4
October.....	139.9	172.8	208.2	222.7
November.....	136.2	157.4	189.4	198.9
December.....	99.6	118.1	141.2	152.1
WINNIPEG				
January.....	57.4	17.4	68.1	116.3
February.....	27.1	22.5	53.2	80.2
March.....	21.9	16.0	110.0	82.1
April.....	17.7	32.8	108.1	52.3
May.....	21.8	49.6	120.6	73.4
June.....	38.0	67.4	20.2	109.4
July.....	60.1	85.8	217.7	129.5
August.....	70.8	89.9	200.0	147.2
September.....	80.5	80.7	230.3	148.0
October.....	61.2	87.3	221.5	142.5
November.....	42.3	87.1	201.3	132.0
December.....	27.8	85.5	174.4	86.3

agreed that custom and not climate is responsible for the greater part of this variation.

Chart No. 10 compares the average per cent. of building permits issued by months for Canada and for Manitoba. This chart reveals the fact that there is a considerable rush for building permits in April, May and June throughout the province of Manitoba which tapers off very rapidly throughout the summer and fall months with practically no activity from October to March of the succeeding year. In Canada as a whole the making of plans continues throughout the summer and fall months maintaining a good average until November.

Chart No. 11 makes a similar comparison for the cities of Winnipeg and Montreal. In Montreal the planning of building operations continues throughout the summer and late fall months giving considerable opportunity for winter construction and the preparation of winter materials for the following spring.

Opinions of Contractors.

Western builders and architects still maintain the traditional attitude that building can not be done satisfactorily in winter. The last

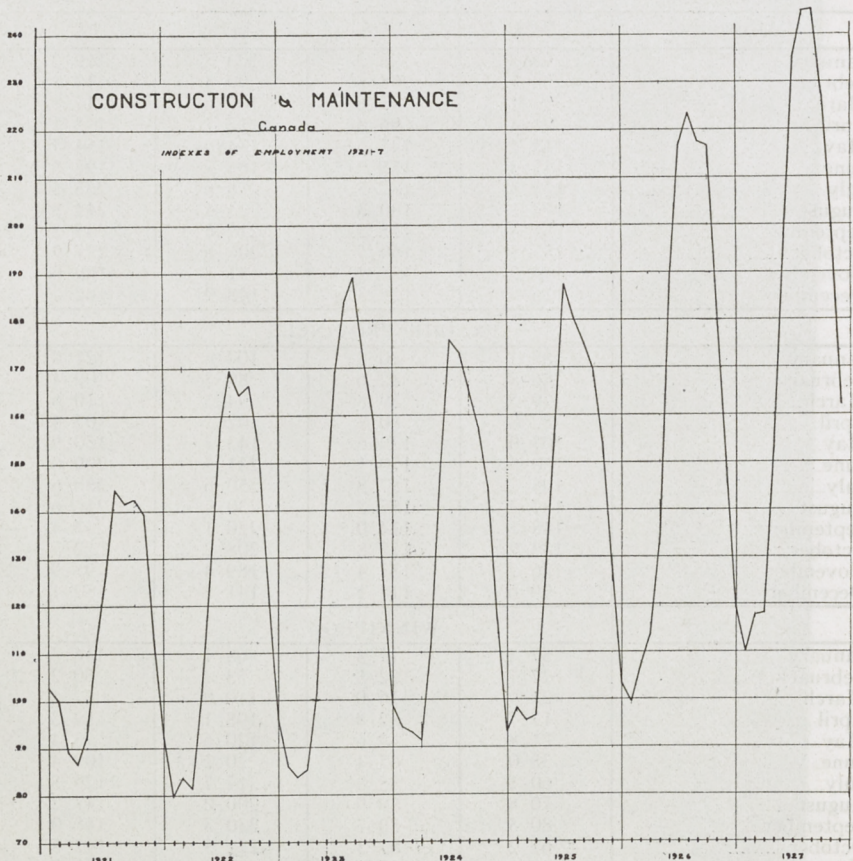


CHART NO. 9

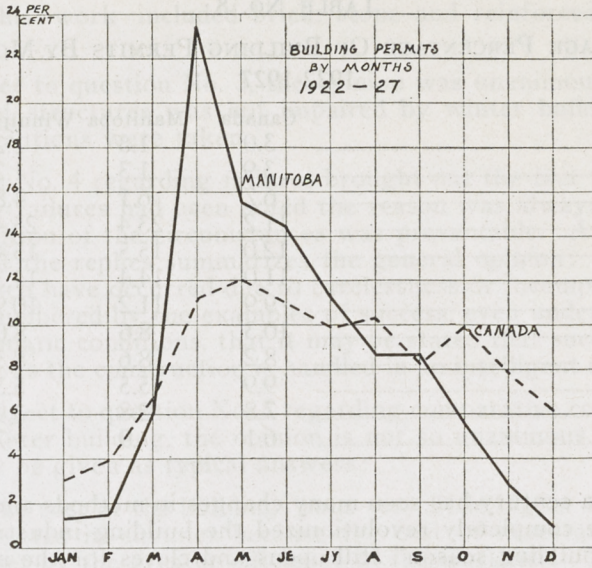


CHART No. 10

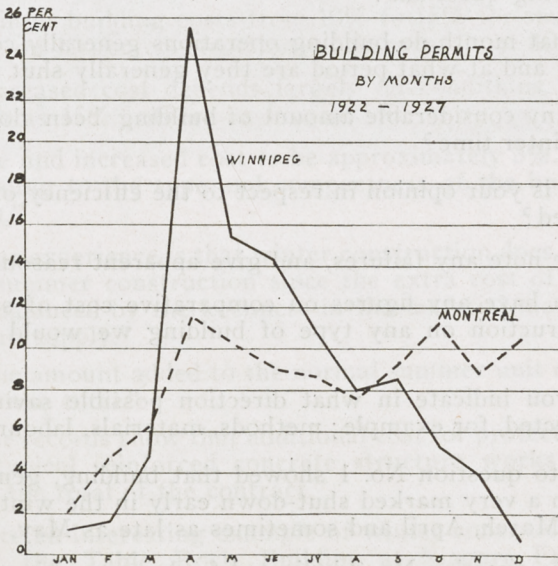


CHART No. 11

TABLE NO. 8
AVERAGE PERCENTAGE OF BUILDING PERMITS BY MONTHS
1922-1927

Month	Canada	Manitoba	Winnipeg	Montreal
January	3.0	1.3	1.2	2.0
February	3.9	1.3	1.2	2.0
March	6.7	6.1	4.8	6.2
April	11.2	23.4	25.4	11.5
May	12.0	15.5	15.4	10.3
June	11.0	14.4	14.3	9.1
July	9.9	11.2	10.9	8.7
August	10.3	8.6	8.0	7.6
September	8.2	8.6	8.5	9.2
October	9.9	5.5	5.3	11.2
November	7.8	2.8	3.9	8.9
December	6.1	.9	.7	10.5

quarter of a century has seen many changes in methods and materials which have completely revolutionized the building industry, but the so-called "building season" still opens and closes for the majority of people at least at the times that were fixed to suit the old methods and old materials. This traditional attitude is not universal, however, for many contracts of considerable importance have been carried out in Canada during the winter months, and those who have been closely connected with such enterprises are unanimous in their opinion that building is as feasible in Canada during winter as it is in summer if proper precautions are taken. In order to test this opinion the Commission circularized builders who had in the past few years been engaged in winter construction and called for replies to the following questions:

1. In what month do building operations generally commence in your locality and at what period are they generally shut down?
2. Has any considerable amount of building been done in your locality in winter time?
3. What is your opinion in respect to the efficiency of structures so constructed?
4. Please note any failures, and give apparent reasons.
5. If you have any figures on comparative cost of summer and winter construction on any type of building we would be glad to have same.
6. Can you indicate in what direction possible savings in cost might be effected, for example; methods, materials, labour costs?

Answers to question No. 1 showed that building, generally, was seasonal with a very marked shut-down early in the winter re-opening again in March, April and sometimes as late as May.

Answers to question No. 2 indicated fairly general increase in the amount of construction undertaken to be carried on throughout the

winter. This work included brick, stone and reinforced concrete structures.

In answer to question No. 3, the opinion was unanimous that the efficiency of structures was not impaired by winter building when proper precautions were taken.

Question No. 4 regarding failures brought out the fact that while occasionally failures had been noted the reason was always apparent and a repetition of the circumstances was preventable. A quotation from one of the replies summarizes the general opinion: "The rare failures which have occurred due to carelessness or incompetence are so far outnumbered by the examples of success, even under the most extreme climatic conditions, that it may be stated that success is the rule so long as the construction is handled in an intelligent manner."

With respect to question No. 5 regarding comparative cost of summer and winter building, the opinion is not so unanimous. The following may be given as typical answers:

(a) "The cost of the buildings runs very little higher than buildings constructed in summer because the cost of necessary precautions is offset by the greater efficiency of the workmen. The saving in labour cost almost equals the additional cost of protection."

(b) "The labour costs on form work were one-half of the cost per square foot for those of a similar summer job. Summer wages, however, were 20% higher, but even then there remains a big margin in favour of the winter."

(c) "Our estimate of additional cost of winter construction is approximately 5%. Such additional cost is offset by savings such as early occupancy, cheaper material, lower labour cost."

(d) "Winter building costs from 10% to 15% for small jobs. Increased cost on larger construction work runs about 10%."

(e) "Increased cost depends largely on conditions. Some jobs run as much as 15%; others as low as 5%."

(f) "We find increased cost to be approximately 3%. This figure varies according to the type and compactness of the building under construction."

(g) "Our experience is that winter construction does not cost any more than summer construction since the extra cost of winter precautions is balanced by the keenness in the material market and the better labour supply."

(h) "The amount added to the normal summer unit cost was one per cent. of the total."

(i) "Our records show that additional cost for protection, heating, etc., on a typical reinforced concrete structure works out at one per cent. of the total of the contract."

(j) Quite an interesting example of winter construction was the erection of the Table Rock Building at Niagara Falls. It was erected during the winter of 1925-26 and had to be ready for spring and summer tourists. This building was subjected not only to the

usual rigors of a Canadian winter, but the spray from the Falls was an additional hazard. Messrs. Pigott-Healy of Hamilton, Ontario, supplied the following statement of the additional winter cost of this building:

Table Rock House.

Summary of cost of enclosure:

Labour	\$2,100.00
Lumber	650.00
Roofing	511.60
Miscellaneous	300.00
	<hr/>
	\$3,561.60

TABLE ROCK HOUSE, NIAGARA FALLS



Courtesy of **Pigott-Healy**, Hamilton

The cost of operating the heating system was:

Cost of setting up and taking down	\$ 179.05
Cost of operation	359.05
Rental charges on Blower	400.00
Plant—Not including contractor's own equipment of Boiler and Motor Allowance for boiler and motor	150.00
Coal used—54 tons	418.50
	<hr/>
	\$1,506.60

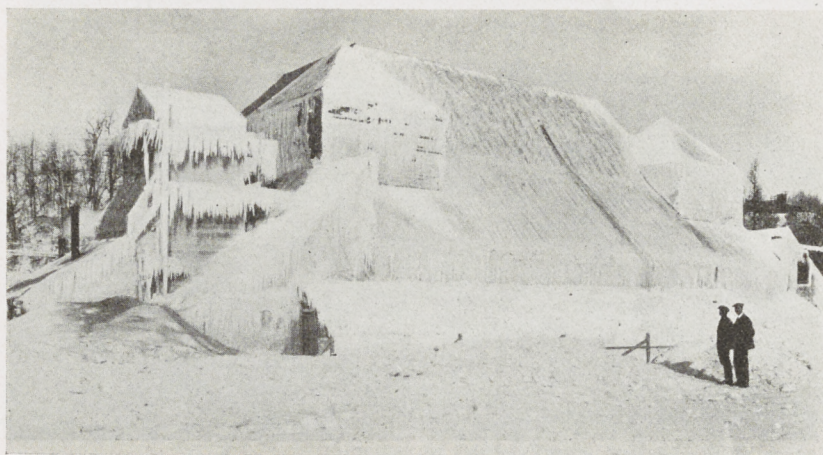
"The total cost, therefore, of these provisions was approximately \$5,000. The amount of the contract with mechanical trades and elevator was about \$240,000. The added cost was, therefore, approximately 2%. Against this should be credited the benefit of continuous operation without loss of time, common even to summer

work; the very plentiful supply of both skilled and unskilled labour, and the other usual benefits that accrue, the most important benefit being to the owners who built in the season when they are practically shut down, and who by so doing lost none of their very important seasonal revenues."

Chateau, Lake Louise.

The building of the Chateau at Lake Louise is the most notable western achievement in winter construction. In this enterprise the entire structure was enclosed in a wooden frame, heated with steam coils and operations went on independent of climatic conditions outside. The engineer in charge of this work figures the additional cost of winter protection and heating to be less than 4% of the total cost of the structure and asserts that this 4% was more than counter-balanced by savings such as:

"UNDER A BLANKET OF SNOW AND ICE"



Courtesy of **Pigott-Healy**, Hamilton

- (1) The saving of bonuses to workmen;
- (2) The saving due to the efficiency of workmen because the best were easy to obtain;
- (3) Railroad fares and board were willingly paid by the men;
- (4) Sub-contractors also shaved their prices keenly in order to obtain the winter contracts;
- (5) In addition to these savings there was the further consideration that the building was ready for occupancy at the beginning of the tourist season and no loss of revenue was incurred.

Other outstanding examples of construction during the winter months in western Canada are: The Hudson's Bay Company's retail store, Winnipeg; the Capitol Theatre, Calgary; the Canadian Pacific Railway Hotel at Regina; and the Banff Springs Hotel, Banff.

Direct comparison of summer and winter building costs is almost impossible because accurate records of similar jobs are lacking, but many studies have been made in which costs have been reduced to a unit basis and these in many instances work out in favor of winter construction. The following statement by Mr. Charles S. Hill* gives such an instance: "Taking as a base the production per day of a bricklayer in the summer of 1922 at 100 per cent., it was found from actual figures that the production in the winter of 1922-23 was 109½ per cent., that is, the bricklayer laid 9½ per cent. more brick in the winter than in the previous summer on a similar job. In the summer of 1923, when bricklayers were scarcer than in 1922, production dropped to 91 per cent. of the 1922 figure." Sanford E. Thompson† after a study of the records of several large contracting firms makes the following statement: "These averages indicate the cost of all

EXCAVATING FOUNDATION OF H. B. CO. RETAIL STORE WINNIPEG
Nov. 1925.



Courtesy of Carter, Halls, Aldinger, Ltd., Winnipeg

labour, except form construction, to be lower in winter than in summer."

The Trade Journals for some years have been giving great prominence to the opinions and experiences of contractors who have been operating throughout the winter in Canada and the Northern States, and these articles are all very strongly in favor of the continuance of building operations throughout the whole year.

Opinions of U.S. Authorities

The report of the President's Committee on Unemployment§ (U.S.A.) is the most complete discussion of this whole question and much useful information is available therein. Chapter eight of this report deals with the practicability of continuous construction

*Engineering News-Record, October 2, 1924, "Winter Construction."

†Ibid.

§"Seasonal Operation in Construction Industries"—McGraw Hill Book Co.,

and shows the direct winter expense and outlines at some length the relative costs of winter construction under five headings as follows:‡

1. Direct winter expense.
2. Relative labour availability and productivity.
3. Indirect expense, or overhead.
4. Material costs.
5. Capital time value.

Direct winter expense is shown on thirty different contracts to vary from as low as 0.63% on a building worth one and a quarter million dollars to 6.61% on a building costing \$375,000. This part of the study is summarized as follows:**

ONE YEAR LATER—OPERATIONS CONTINUED THROUGH WINTER OF
1925-1926 AND 1926-1927



Courtesy of Carter, Halls, Aldinger, Ltd., Winnipeg

- “1. Savings in labour cost through greater productivity of some 2½ per cent. of total cost.
2. Cream of labour obtainable through the employment of men in the various trades at a time when the supply exceeds demand.
3. Reduction in amount of poor work by incompetent men.
4. Labour more anxious to hold job in times of unemployment and hence more efficient.
5. Seasonal price fluctuation in material prices, by which most material can be bought cheaper when needed for winter use.
6. Contractors willing to figure on closer margin to get business.
7. Three to six months' time often saved in interest on capital tied up.

‡Ibid, Page 84.

**Ibid, Page 105.

8. Less freight congestion resulting usually in better material deliveries.

9. No lassitude in workmen due to extreme heat of summer.

The disadvantages are:

1. Extra cost of winter protection, one to five per cent. of total cost.

2. Fewer possible working days, due to the necessity of clearing away snow or to extreme cold weather, thus tying up capital for longer period. This difficulty does not apply to buildings requiring a year or more to erect.

3. More difficult working conditions for some trades.

4. Occasional snow storms that temporarily tie up traffic."

While it is not economical to construct all types of buildings in winter, yet enough can be done not only to take considerable pressure off the busy season but to contribute materially toward the solution of the seasonal unemployment problem so far as the building trades are concerned. A notable example of this was seen during the winters of 1925-26 and 1926-27 when the Hudson's Bay Company was erecting its new store. Men in the building trades who applied for relief during these two winters numbered 94 in 1925-26 and 41 in 1926-27 as compared with 317 in 1924-25 when very little building was being done. The indirect effect of a moderate amount of winter construction is very great. For example, when structural steel is being used in winter and in early spring the iron workers find employment and the quarrying of gypsum, cement, limestone and stone can proceed practically without interruption, although these plants are generally shut down in winter because of lack of orders.

Need for a Building Program

It will be objected that this type of winter construction will not increase the total amount of employment but only spread that which exists over a longer period. There are, however, many plans by which the actual amount of building done might be increased. There is great need in Winnipeg of a housing scheme. For some years the Housing Commission of Winnipeg sponsored a great deal of residence building, but the activities of this Commission have been curtailed in the last three years. The reports of the Building Inspectors and the Health Inspectors for the City of Winnipeg show that slum conditions and overcrowding exist in certain sections of Winnipeg and that the city regulations regarding tenement houses are not strictly enforced. The following extracts are sufficient to illustrate the need for either the renewal of the activities of the Housing Commission or the continuance of the work by private concerns on a basis similar to that on which the Commission operated.

1. "The tendency, especially in some parts of the city, for families to live in one room is still increasing. When these larger one-family houses began to be sub-let as tenements some years ago, the rooms were rented in suites of three or four rooms, then two rooms be-

came common, and now a large number of families occupy one room only.”*

2. “We made an inspection of an old dwelling of 9 rooms, and found 8 families, consisting of 15 adults and 9 children, in occupation. One room was vacant, so that each family had only a single room in which to live and sleep. Each family had a gas stove and none of these had a hood or pipe to carry off the products of combustion and the odors of cooking. The combined rents obtained by the lessee amounted to \$153.00 per month.”†

3. “New dwellings are mostly erected for sale and not for rent. We need a few hundred small three to five roomed cottages available for rent. They must be warm so as to economize on fuel and the rents must not be too high.”§

4. “A very large number of houses house from two to ten, or even more, separate tenants or families. We do not know the exact number of such houses, but there must be from 3,000 to 5,000.”‡

Numerous other illustrations might be culled from these reports which show the necessity of a housing campaign in Winnipeg for a type of house that would suit and the class of people now illegally occupying these tenements. The Chief Health Inspector sums up very ably with the following question:** “Is it, then, strictly fair to an investor who puts his money into a good apartment block to permit houses of this class in question—many of them next door to good apartment blocks—to be occupied practically as apartment blocks without taking any steps to fit them up so that they may be reasonably fit for such use, and also when it is further the case that the rent per room in many of these illegal tenements is equal to the rent per room in a proper apartment block?”

It is the belief of the Commission that if the municipal authorities would enforce the law strictly there would be a decided improvement in the building situation in Winnipeg, first of all in renovation of these houses now illegally occupied, and secondly, in the building of new residences. The Commission believes that the Municipal Authorities could encourage a building program by agreeing to remit, for a short period of years, the building improvements portion of the Municipal tax on buildings of the desired type, and that winter construction could be stimulated by the Municipal Authorities exempting for a limited number of years buildings erected in winter in accordance with a winter construction program.

Costs.

Many builders who are undecided as to whether to proceed with alterations or with new buildings may be deterred by the high cost of buildings from doing this work. If the Winnipeg Builders' Exchange and the Building Trades Council could co-operate in a study of the building situation in Winnipeg with a view to determining what

*City of Winnipeg Report of City Health Dept., 1925—Page 37.

†Ibid, 1926—Page 45.

§Ibid, 1926—Page 35.

‡Ibid, 1926—Page 36.

**Report on Overcrowding and Houses Let in Lodgings, Oct., 1926—Page 3.

is the best time of the year to commence operations on various types of buildings in order to make the best use of the surplus labour by trades, the best material prices and the best date of entrance of the new premises, considerable savings might be made that would induce the hesitating builder to proceed with his work.

Direct comparison of summer and winter building costs are almost impossible anywhere and in western Canada comparative figures are absolutely non-existing. When figures are given they require careful study and interpretation and do not necessarily indicate the differential in cost. For example, when the Provincial Government was proposing to continue the construction of the Nurses' Home at Selkirk during the winter of 1926-27 the estimate for the continuance during the winter was over \$6,000, which was nearly six per cent. of the total contract price and an additional winter cost of about 20% on the work that would have been done in winter. The difficulty in cases such as this is that the contractor has made his plans presupposing a shut-down in winter and to alter his plans he demands compensation and having the contract already in his hand he does not require to pare the estimates on the additional cost of winter construction. On the other hand, if a rigid contract with a penalty clause is let for completion on a date which will demand continuance of operations throughout the winter, the contractor will have included in his price what he considers absolutely essential to protect himself against the exigencies of winter construction, but being under the necessity of having his prices compete with others he may be willing, if his other building operations permit, to carry on the winter work at considerably less than the cost of that particular part of the work in order to secure the whole contract and in order to keep his organization intact.

General Construction Work.

The building of roads, surfacing of roads, the building of bridges and the construction of sewers, etc., are often referred to as excellent opportunities for the relief of seasonal unemployment and authorities naturally turn to these phases of construction activity in times of stress.

There have been many unfortunate experiences in this connection, generally because such work, when undertaken as relief work without proper planning and preparation, is done not from the point of view of economy in construction but from the point of view of providing work for the workless. The provision of work is certainly better than the dole as a means of unemployment relief, but there should be no necessity for the exceptional high cost of this relief work which could be avoided by proper planning. The Highway Commissioner of the Provincial Department of Public Works and the Chief Engineer of the City of Winnipeg state in correspondence with the Commission that a considerable part of the work referred to can be done with due regard to economy in the winter season.

A. McGillivray, Highway Commissioner, classifies the work as follows:

- “1. Work which can be done in the Winter Season.

- (a) Clearing of right of way (a very limited amount to be performed).
 - (b) Delivery of gravel to roads in localities where pits suitable for winter quarrying are available.
 - (c) Fabrication and erection of large steel and timber structures.
 - (d) Manufacture of metal culverts by the various manufacturing companies.
- "2. Work which it might be possible to do in Winter.
- (a) Construction of large concrete bridges.
 - (b) Construction of mass concrete structures for bridge foundations. (The building of concrete bridges in winter, however, is accompanied with so much risk of damage by frost during construction operations, notwithstanding the care which may be given to proper housing and heating of materials, that it should only be attempted under the most extenuating circumstances. The cost of winter construction on this class of work would also exceed that of summer operations from 25% to as high as 50%, depending on the amount of excavation to be done and the volume of concrete in the structure.)"

W. P. Brereton, City Engineer, in presenting to the Commission a statement of the comparative costs of sewer construction for various sizes of sewers at various depths, remarks:

"You will note that the unit prices show no influence of weather conditions. This fact is due to many factors, the principal one being the fact that during this time the jobs have been small jobs, short extensions to serve new houses being erected beyond the existing sewer, which were suitable jobs for small contractors with little or no equipment. These men, in order to evade the Fair Wage Clause, formed themselves into firms of eight or ten and they did the work and drew out the proceeds whatever there was. It might be only ten or fifteen cents per hour, but it kept them at work.

"There was a suggestion that these small jobs could be all kept for winter construction but that would not generally be feasible. These jobs arise through the building of one or more houses just beyond the limit of our existing sewer, and the owners approach the Council, when the building commences, to get the sewer extended so that connection can be made when buildings are completed. These owners could not be induced to wait until winter. The building would not be done at all in that case.

"There is also the fact that the Council would lay itself open to severe criticism if it adopted a policy of holding up all this work with the purpose of taking advantage of a deliberate evasion of the Fair Wage regulations.

"With respect to stone roads, the cost of winter work has been \$3,950.00 against \$2,000.00 per mile for summer work and the stone cost, about \$1,500.00 per mile, is the same in each case, so that the labour cost is \$2,450.00 and \$500.00 respectively or about five to one.

"Of course the object in winter work has been to have as much work done by hand as possible and the labour is inexperienced, while the summer work is carried out as economically as possible."

It is not to be recommended that work which can be done only at very great excess cost in winter should be regularly undertaken in that season, but much can be gained by the adoption of well devised programs which will not only extend into the winter season, but which will plan for the earliest possible opening in the spring, thereby providing legitimate work and preventing the extension of casual relief works unnecessarily. Many of the northern States have planned programs of road construction and bridge building which have been carried on throughout the winter efficiently and economically, and in the adoption of similar plans would be beneficial in Manitoba. If standard size steel bridges could be used in our good roads system many of the orders could be placed and material fabricated during the winter months even if the structures were not erected until summer.

It is therefore to be desired that the Provincial Department of Public Works should extend as far as possible its program of winter construction, and where actual construction is not possible the specifications should be available so that all the necessary preparations could be made in winter. The Provincial Department of Public Works also might consider the possibility of planning a construction program for public buildings now required or likely to be required and could have money laid aside in capital account ready for carrying out this program so that during an exceptionally slack season or during a period of depression such necessary work could be constructed.

The Municipal Government also might be persuaded to plan its construction work under the old Council instead of delaying as at present until the new Council takes office. Such action would enable necessary winter work to be properly planned and economically carried out and would enable the summer program to commence at a much earlier period than at present.

Where building has been continued through the winter with proper precautions taken it has been satisfactorily accomplished. It is impossible to say definitely what types of buildings can be erected in western Canada as economically in winter as in summer. The costs of winter building in western Canada, however, as has been shown, are very slightly higher than the cost of summer building and these additional costs are offset by many advantages.

Section 5

MANUFACTURING

Under such a general heading come many diverse industries in Manitoba, some employing relatively few workers and others quite important from the standpoint of the payroll.

TABLE No. 9

STATISTICS RE MANUFACTURING INDUSTRIES

	Winnipeg and St. Boniface		Manitoba	
	1924	1925	1924	1925
No. establishments	437	439	768	769
Capital	\$93,726,337	\$ 98,111,086	\$110,011,602	\$120,362,238
Employees.....	12,900	15,741	14,778	20,023
Salaries and				
Wages	16,514,065	20,090,808	18,706,742	25,286,173
Cost of Materials	50,598,397	60,256,042	59,036,763	71,685,113
Gross value of				
Products	88,273,097	102,733,766	102,252,013	124,145,763
Net value of				
Products	37,674,790	42,477,724	43,215,250	52,462,650

Fluctuations of employment in manufacturing as a whole are not great, being less than eight per cent. between the peak and the low spot, but when analyzed into its component parts many industries are seen to be affected to a considerable degree. Many of these industries are not in themselves seasonal and are not directly affected by climate but indirectly and by force of habit they are subjected to seasonal slackness because of slackness in other industries on which they depend or to which they are closely related. A notable example of this is the iron and steel industry already referred to, which, because it is largely concerned in Manitoba with structural steel and bridges, finds its market closed in the winter time and consequently is under the necessity of shutting down its own operations. In this industry over one thousand men will be employed during the busy season, while the slack season throws three to five hundred men out of work. The work of manufacturing and fabrication can be done as conveniently in winter as in summer, but the manufacturers find it impossible to carry on for lack of orders. Some work is done in making-to-stock but the amount of such work that can be done is very limited.

Another illustration might be found in the manufacture of animal products, which has its peak in the period from August to December and drops rapidly through January, February and March to its low point in April and May. This is due to the fact that the bulk of the animals raised on the farms are marketed in the late fall. The manufacture of edible products also shows a considerable drop in the winter and early spring for although employment in the flour milling industry may be fairly constant, the pickling and canning factories have their peak period just following the harvesting of the garden stuff.

The movement of the textile trades differs from the movement of other manufactures in that it has two rush seasons each year with

periods of decided slackness between. This condition in the textile industry is the result of several factors. As pointed out by Barbara Drake* in dealing with the tailoring trade in Great Britain "Seasonal fluctuations in the tailoring trade may be attributed to three main causes, the first two of which are constant, or normal, and the third of which is inconstant, or varies at different times and in different places: (1) The need for special clothing at the commencement of the hot and cold seasons, e.g., the demand for flannel suits in the summer and overcoats in the winter. (2) The desire for new clothes in the spring. Suits that may be worn throughout the year tend to be bought as the first spring days reveal the shabbiness which passed muster through the winter. (3) Social custom or fashion. The demand for clothes to meet the exigencies of "Society," a demand which may or may not correspond with the normal demand noted under (1) and (2)."

Made in Manitoba.

The situation in western Canada is accentuated by the methods of buying pursued by the western merchants. Many of the merchants follow the practice of placing their bulk orders early with eastern manufacturers and in some cases the Winnipeg manufacturers do not even have a chance of competing with the eastern firms. As the season advances, however, and certain lines begin to run short the merchants will place rush orders with the local manufacturers with the result that overtime is necessary. Experienced help is hard to obtain to meet this demand and the cost of production thereby increased; whereas if the local manufacturer had obtained the bulk order in the beginning, he would have provided not only more steady employment for his workers but would have an experienced force to draw from to meet the rush order. Statements made to the Commission seem to point to the fact that the buying public as well as the merchant is responsible for this condition and some merchants find it advisable to remove the Made-in-Winnipeg label before placing the goods on their shelves.

Several agencies have been at work trying to remedy this situation locally. Mention must be made of the Made-in-Manitoba Campaign, sponsored by the Industrial Development Board. This is largely an educational campaign to induce consumers, retailers and wholesalers to patronize local manufacturers. Some success has been achieved along this line and the work is being continued.

Many of the members of the Canadian Manufacturers' Association have been attempting to stabilize employment and production within their own plants by offering inducements to their customers to place their orders early and, if possible, in the off-season; while they, themselves, are making-to-stock such goods as can be so treated and are also placing orders for their raw materials which they secure from other firms, as early as possible and wherever possible giving standing orders. Most of them when interviewed realized the necessity of planning ahead in their own business, but stated that the amount of production that could be done ahead of the receipt of orders was very limited owing to the necessity of obtaining adequate credit from

*"Seasonal Trades," by Sidney Webb—Page 70.

the banks. This could not be obtained when they had no orders to show.

An Employer's Solution.

There seems to be little question that the principal solution of seasonal unemployment in manufacturing rests with the management of the individual firm. The best example of what can be done by the employer in this connection is seen in the policy of the Dennison Manufacturing Company, of Framingham, Massachusetts. This well known company was originally engaged in the manufacture of Christmas trinkets, a very highly seasonal occupation. Practically only three or four months of high speed production was possible in this industry, but the management evolved a plan with a view to spreading the activities of the firm over longer periods. Five principles were tried out and are now firmly established in this manufacturing plant, namely:

(a) The reduction of seasonal orders by getting customers to order at least a minimum amount well in advance of the season.

(b) The increase of the proportion of the non-seasonal orders with a long delivery time, that is, material which was not required immediately was ordered far in advance not to be delivered until either a certain date or when ready.

(c) The planning of all stock items a year in advance. In order to do this the warehousing department works out a minimum monthly schedule based on the distribution of the previous year's sales and prepares to make stock to meet a similar demand. This production is organized by the department concerned, the work being distributed as best suits that department so long as this monthly minimum is maintained.

(d) Planning of inter-department needs. This is dependent on (a) and (b) above but as soon as orders are received subsidiary departments prepare a schedule based on steady production rather than on delivery needs.

(e) Increasing the number of products manufactured, especially building up out-of-season lines. For example, while the demand for Christmas goods was highly seasonal, the Dennison Company developed new types of paper boxes and decorative material which would be in demand at other than holiday seasons and several other lines which were staple in nature and could safely be made to stock at any time.

The Dennison Manufacturing Company by these five principles succeeded in building the normal business up toward the peak. They aimed not at removing the peaks but at filling up the hollows.

In addition to this business policy, the Dennison Manufacturing Company has attempted to institute a policy for the relief of unemployment through the creation of an unemployment fund. This consists of monies set aside by the directors out of profits of the business. This unemployment fund has been created by the company not as a charity, but as a means of securing and retaining experienced workers by removing from them the hazard of loss of income

from periodic unemployment and removing from the company the loss due to the engaging of inexperienced help in the busy seasons.

The Dennison system could with advantage be studied not only by manufacturers but by all employers of labour as it is capable of adaptation to many lines of business.

Howard Coonlay, president of the Walworth Manufacturing Company, New York City, manufacturers of pipes and fittings, has averted seasonal unemployment through proper planning of production. In speaking of their plan Mr. Coonlay says:* "This policy enabled us to meet every requirement and to give men work for the whole year. This meant that we could promise continuous employment, could tell our purchasing agents what and when to buy and our financial department the amount that would be necessary in dollars and when. Production was more economical, the men were better satisfied and constantly on the job and efficiency all round was improved. The proper study of sales possibilities and market conditions and the correlation of the production program thereto will bring about the best results in industrial relationships. We know, and those of you who haven't tried it have been losing a big opportunity."

The Secretary of the Prairie Division of the Canadian Manufacturers' Association indicated that many of the activities of the manufacturers in the west were dependent on the crop prospects and that it was impossible to forecast what the needs of the country would be until a reliable crop forecast was made. As soon as a good crop was assured business began to pick up in most lines and the height of the harvest season saw many other industries also at their height. A further consideration was also noted by the Secretary, namely, the instability of our present tariff system. Many of the manufacturers who could buy raw materials and make-to-stock in the slack season, which is generally the winter, refrained from doing so because of the fear that a reduction in the customs duty might so change the market as to wipe out, not only any savings made by this advanced production, but also prospective profits.

Dovetailing.

The question of dovetailing agriculture with manufacturing was discussed at some length with the representatives of the manufacturers but as has been stated above it was found that owing to the dependence of many industries on the crop movement, the harvest period was also the harvest time for the manufacturers and that a policy of shutting down during the harvest months would be unprofitable.

Budgeting by Purchasing Departments.

From a number of sources came the statement that the purchasing departments of municipal, provincial and dominion governments and all large corporations seem to pursue a policy of hand-to-mouth buying and do not seem to realize the importance of planning their programs so as to take advantage of the lower prices that might be obtained by placing orders in the off-season and illustrations were

*The American Labour Legislation Review, Mar. 1923—"A Manufacturer Averts Unemployment by Intelligent Planning"—Page 23.

given of actual savings that had been effected where purchasing departments had been persuaded to place their orders early. One of the best examples of this was the placing of the order for the iron bridge in Brokenhead municipality in the slack season which enabled the Manitoba Government to obtain the best price it has obtained for years on such a structure. These potential savings are due to the fact that firms are willing to cut their overhead costs in order to get business in winter and will take orders even at a loss in order to keep their business organization intact, the loss thereby sustained being less than the cost of shutting down and reorganizing with a new labour force.

TABLE NO. 10

EXPENDITURE IN CENTRAL AND NORTHERN MANITOBA MINING
AREAS SEPTEMBER, 1926, TO SEPTEMBER 1927

Wages	\$ 436,315.00
Groceries	83,133.72
Lumber	10,825.00
Brick	2,200.00
Cement	1,700.00
Rubber Coats, Pants and Boots	1,000.00
Explosives	40,038.49
Fuel, Oil and Gas	23,500.00
Hay and Oats	26,495.00
Mill Machinery and Supplies Mill Construction	420,000.00
Freighting and Teaming	142,000.00
Cord Wood	12,000.00
Mining Equipment	120,000.00
Miners' Stores and Miners' Supplies	36,412.35
Power Line Construction	180,000.00
Grand Total	\$1,535,619.56

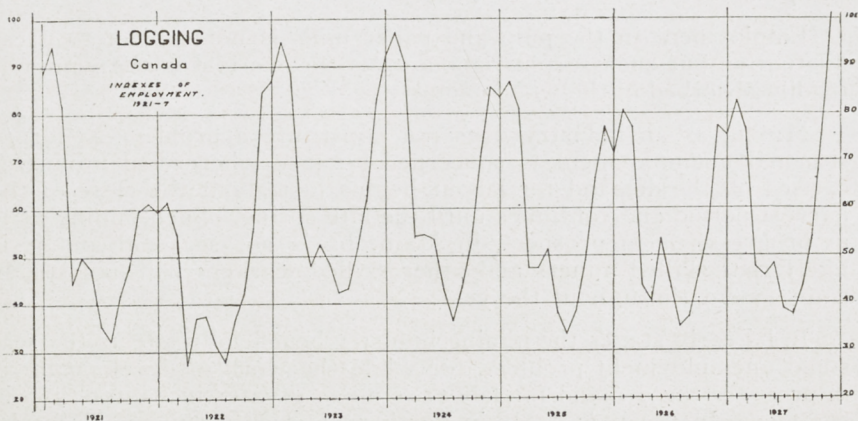


CHART NO. 16

Section 6

LUMBERING AND MINING

Two branches of industry which promise in the near future to provide some relief in the winter unemployment situation in western Canada are the lumbering and mining industries.

Lumbering is one of the older industries in Manitoba and for the past few years it has been declining as the more readily available saw-logs have been cut. The increased demand for pulpwood has, however, counter-balanced this downward tendency and winter logging is again on the increase in Manitoba. The lumbering industry is so far as it is concerned with the production of building material provides considerable employment for Manitoba's surplus labour both in Manitoba and in new Ontario, and although the saw-mills are working at their highest capacity in the months of May, June and July and are practically shut down from December to April, the bulk of the employees have acquired a versatility which enables them to obtain practically full time employment between the mill and the lumber camp. A great part of the winter work, however, is done by unskilled or by semi-skilled labour drawn from the unskilled group in the city and from the agricultural group.

The recent development of the pulp and paper industry in Manitoba is causing a considerable increase in the demand for pulpwood and as the new firms acquire a wider market for their products this demand will further increase and absorb a still greater part of the unemployed industrial and agricultural labour. Cordwood camps also regularly absorb a large quota of the city unemployed.

No accurate figures are available as to the total number of men so employed in the winter, for while there are some large contracts a very great amount of this work is done by small contractors and another considerable portion by homesteaders and farmers in eastern and northern areas who cut on their own property and sell to travelling buyers.

Employment in the pulp and paper mills is not subject to great fluctuation but such surplus labour as is thrown idle in the winter is readily absorbed in the wood camps.

Mining as an industry does not constitute a problem so far as seasonal unemployment is concerned because where coal mining is carried on the demand for labour begins just about the close of the harvest period and continues until the late spring. Such mining as is in progress, or in prospect, in Manitoba is not seasonal and it is likely that skilled miners and other skilled workers will find steady employment throughout the year.

In its early stages the mining industry beneficially affects the seasonal unemployment problem, for while the work of development is in progress the demand for labour is much greater in winter than in summer. In the new areas in northern and east-central Manitoba summer roads and railroads do not yet exist and the character of the country is such that the freighting of machinery and supplies must be done during the time when the ground is frozen and covered with

snow. The cutting of winter roads, the freighting of supplies and equipment, the clearing for development work and the cutting of cordwood, which is almost exclusively used as fuel for power in the meantime, will provide employment for about 2,000 men in Manitoba this year, and so long as the industry is in the early stages of its development this demand for winter labour is likely to continue.

Two examples of this winter demand may be given: During the winter of 1926-27 over one hundred and thirty-five teams and men were employed on freighting services alone, while for the San Antonia Mine alone, 1,600 cords of wood were taken out during the winter season.

This year will see the beginning of the construction of the Flin Flon railroad which will employ this winter in the neighborhood of 1,000 men. When the Flin Flon development begins there is every likelihood that the method employed will be open-cut mining, which is just as feasible in winter as in summer, and it is altogether likely that production will be increased in winter when unskilled labour required for open-cut mining can be more easily secured.

Representatives of the Manitoba Chamber of Mines, when interviewed, called attention to another phase of the mining industry. It was pointed out that the development of mining in northern Ontario had created a purchasing power of approximately \$100,000,000 annually and that this purchasing power helped to build up towns and cities and stimulate manufacturing industries. In Manitoba the total development to date is small, but the wage-roll for a calendar year has been slightly over half a million dollars while the total of one and a half million dollars has been expended in wages and supplies, a great proportion of this being spent during the winter months.

Table No. 10 shows the actual expenditures in central and northern Manitoba Mining areas from September, 1296 to September, 1927:

In view of the facts stated above, Manitoba for some years to come will be able to look to the development of the pulp industry and the development of mining as two great safety valves to take care of the surplus labour of the winter season. As these industries become more firmly established they will cease in a measure to act as safety valves but by their contribution to the industrial wealth and to the purchasing power of the people of the province they will tend to stabilize the demand for supplies and manufactured goods which seem at the present time so dependent on the movement of the wheat crop.

Section 7

TRANSPORTATION

Employment in transportation in Canada is shown by Chart No. 12 and Table No. 11 to be subject to considerable seasonal variation with the hollow extending through January, February, March, April and May, the lowest point being in March. The peak of employment each year comes about November, with the busy season extending from August to December.

TABLE No. 11

INDEXES OF EMPLOYMENT IN TRANSPORTATION FOR CANADA

Month	1921	1922	1923	1924	1925	1926	1927
January	103.0	99.2	104.8	107.3	99.0	103.9	107.3
February	101.3	97.0	101.5	103.7	98.4	101.2	103.4
March	95.8	97.1	99.8	103.1	97.6	100.0	103.7
April	95.5	96.8	100.2	103.7	98.5	101.2	104.2
May	94.0	98.7	101.7	105.3	100.3	102.8	109.1
June	98.1	106.2	109.0	110.1	105.2	110.6	113.5
July	99.6	109.2	112.2	110.0	106.2	111.4	115.9
August	102.7	111.6	113.4	110.8	108.2	111.6	113.7
September	106.6	111.9	113.4	107.8	108.2	113.4	114.7
October	109.6	114.0	116.2	109.0	111.3	116.3	115.4
November	110.5	114.7	116.8	108.2	111.5	113.9	115.4
December	106.9	115.3	113.8	108.2	109.8	109.9	116.0

Table No. 12, Chart No. 13, show corresponding figures for Winnipeg. This group of figures would seem to suggest that employ-

TRANSPORTATION Canada

INDEXES OF EMPLOYMENT 1921-6
AVERAGE BY MONTHS

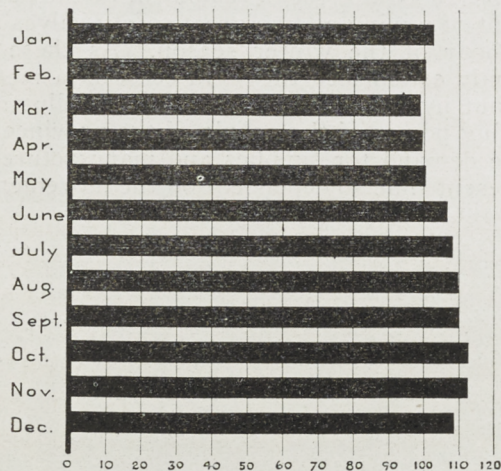


CHART No. 12

ment in transportation in Winnipeg was fairly steady, but it must be remembered that these figures include employment in electric railways.

TABLE No. 12

INDEXES OF EMPLOYMENT IN TRANSPORTATION FOR WINNIPEG

Month	1923	1924	1925	1926	1927
January		104.5	92.8	95.4	97.8
February		103.2	98.0	96.1	98.5
March		103.0	98.2	96.5	101.7
April	101.5	98.2	96.4	96.4	98.8
May	96.5	98.5	95.5	95.0	98.0
June	100.1	100.7	95.5	96.5	96.3
July	100.7	103.1	95.6	95.9	104.4
August	99.4	101.2	96.0	95.0	101.1
September	99.8	101.9	95.5	97.5	102.6
October	100.1	103.0	95.5	99.7	100.7
November	102.4	98.0	95.5	97.2	93.1
December	101.1	94.6	97.5	97.4	102.5

The figures for employment in the steam railways run in Manitoba for 1926 are illustrated in Chart No. 14, which shows a considerable fluctuation between the peak in October and the low spot in March, the drop being 25 per cent. of the total. When this is further analyzed, it is found that several departments of the railroad, for example, maintenance of way and structures, have a much more violent fluctuation than that indicated above. Chart No. 15 illustrates this variation, showing the low spot in March and the peak in July for the year 1926.

TRANSPORTATION Winnipeg

INDEXES OF EMPLOYMENT APRIL 1923 - MARCH 1927
AVERAGE BY MONTHS

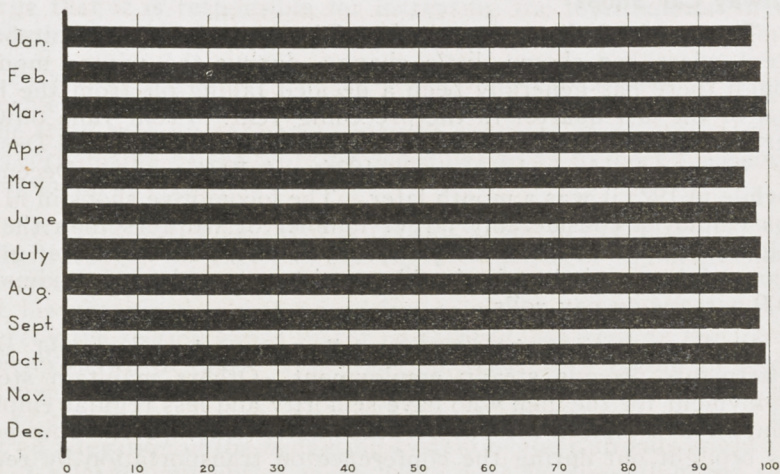


CHART No. 13

Construction, which is carried on largely by contract, also follows the same trend, although accurate figures are not available for this department.

It will be seen that while in some departments employment in the railroads is fairly constant, others—and these include to a large extent the lowest paid labour—are subject to violent seasonal fluctuation with its consequent distress.

Electric Railways.

The electric railways of Manitoba, due to climatic conditions, provide a maximum of employment in the winter. In urban and suburban areas a large number of automobile owners store their cars in winter and use the electric lines, thereby necessitating an increase in the number of car miles. While construction work and track repair is shut down for the winter, a considerable number of men are employed in keeping the tracks clear of snow. Though this employment is intermittent, it generally enables a large percentage of the workers to carry themselves over the winter months.

The introduction of the one-man car has had a detrimental effect on employment in this industry, and it might reasonably be expected that in the inclement weather of the winter season the Street Railway management would consider the abandonment of the one-man car, except on remote branch lines, in order to speed up their transportation system, give greater satisfaction to their patrons, and at the same time provide more employment during that season.

Steam Railways

The number of employees reported in steam railway transportation in Manitoba has varied in recent years between 18,000 and 24,000, the greatest activity being shown in the autumn and early winter, when the crop is moving. The situation in 1927 has been more favorable than in preceding years. The index of employment in this group is considerably influenced by conditions in the car shops.

Railway Car Shops

The number of persons employed in car works in Manitoba in recent years has shown little change during the winter months, though there has generally been a decided falling-off from the high level of the last quarter in the preceding year. From June onward there have been with minor exceptions steady increases until December. The peak of employment in 1926 and 1924 was on December 1, while in 1925 it was a month later. The locomotive shops in Manitoba employ a considerably larger number of workers than the remainder of the iron and steel group, or, in fact, than any other group of manufacturing industries in this province, reporting approximately 8,000 persons on pay rolls.

In the operation of the steam railway, as already stated, some departments provide steady employment. Others maintain steady employment for the men who have seniority and less regular employment, or a complete lay-off, for the junior employees. This point was brought out during the conference on transportation by representatives of the railroad brotherhoods. So far as conductors are concerned they have steady employment due to the fact that when the

number of trainmen is reduced, the junior conductors, having seniority over the other trainmen, act as trainmen, while sometimes brakemen were laid off, and at other times were given irregular employment or odd jobs in the shops.

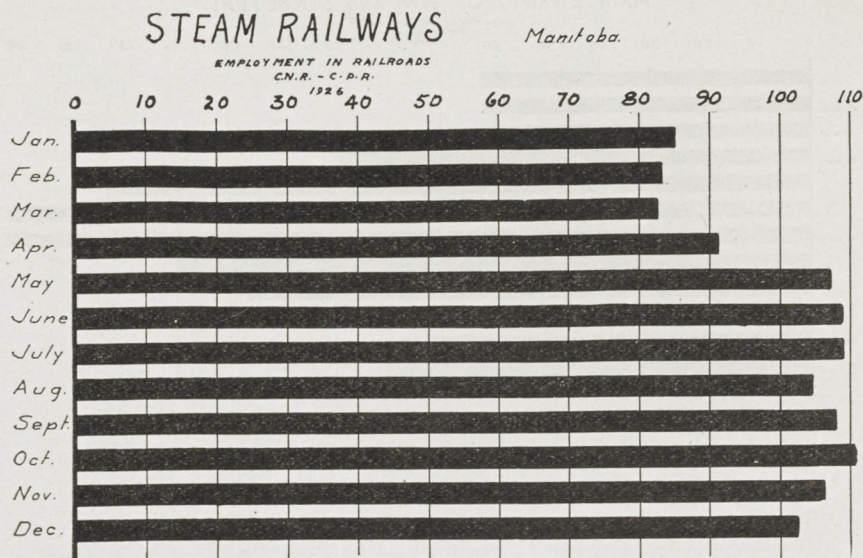


CHART NO. 14

With regard to the shopmen, attempts have been made recently to stabilize the employment. This is done in one of the railroads by an agreement between the mechanics' union and the company, whereby men are moved from the round house to the back shops and vice versa, according to the pressure of work in either of these places. Such an agreement naturally lessens the total number of employees required at the peak, and some individuals have criticized it and charge that it is responsible for increasing the total amount of unemployment, while lessening the amount of seasonal unemployment.

From the point of view of seasonal unemployment alone such agreements are to be commended, and the disadvantage alleged to ensue from such an agreement may be regarded as an argument for the reorganizing of the working schedules so as to meet the general unemployment situation.

This agreement finds favor in certain circles of organized labor, as is illustrated by the fact that the representatives of the maintenance of way employees indicated to the commission during the conference that his organization was proposing to work out a similar scheme whereby the section gangs might be reduced, but kept on the job for a longer period of time. This trade, he said, has a maximum of employment from May to September, with approximately 70 per cent. out of employment from November to April. His suggestion was that an alteration in the budgeting system of the railroads might permit of a larger amount of work being done in the spring and early summer with a slackening of the operations during the early period

of the harvest, and a reopening of activities between harvest and freeze-up, and the maintenance of a larger minimum force throughout the winter.

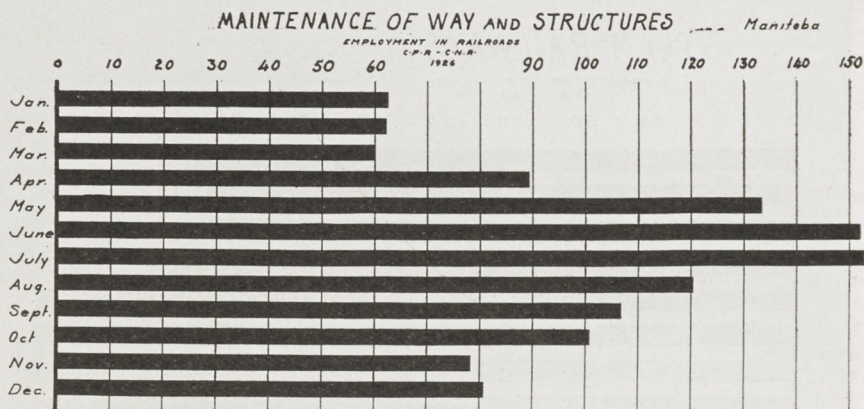


CHART No. 15

It was also indicated during this conference that such an arrangement would enable a number of the workers to participate in the harvest at the advanced wages obtainable then returning to their regular employment in the late fall. The supreme difficulty, however, is the agreement between the Union and the company, which necessitates men, even when laid off, remaining within twenty-four hour call under penalty of losing their seniority. This agreement also prevents the mobility of the track men who might wish, or might be needed for, construction work at any period of the year, for even if they are not required on the section they must remain within call, and therefore cannot obtain jobs on construction work.

It was pointed out during this conference, which was held in September, that both railroads were looking for men for extra gangs, and that it was practically impossible for them to obtain such men. The representatives of the men's union replied that this was due to the fact just stated above that the men, even when laid off the section temporarily, could not take the construction job. It would seem that new arrangements whereby this track labor could become more mobile would be in the interest both of the company and of the men.

Construction Program

The method of organizing the program of construction of the railroad is also responsible for the seasonal nature of employment in this line. Division officials generally make their plans in the late fall and winter for the construction necessary for the succeeding year, but this program requires to be assented to by the head offices in the east, and until their budget has been arranged, division officials cannot lay definite plans for letting any contracts nor purchasing any of the material. It is generally early in the spring before this information is available, and by the time the plans are perfected the spring is well advanced, and rush orders are made for the material necessary.

If the railroads could advance the date of deciding upon their construction programs, materials might be ordered before the winter was far advanced, and the plans perfected so that the preparatory work and fabrication of structures might be done in the winter, thereby enabling the construction program to begin earlier in the spring, and thus avoiding the rush for completion, which makes the railroad contractor a competitor with the farmer in the harvest time.

Summary

It would appear that employment in the transportation industry is more steady than it previously was, due to certain policies initiated either by the men's organizations or by the companies, and that attempts are being made to further stabilize their employment.

The maintenance and construction work, however, remain exceptionally seasonal, and while the severity of the weather naturally compels this seasonal movement, changes in the method of arranging their maintenance and construction programs might be made which would be beneficial both to the company and to the men. Planning the construction program further ahead would also be beneficial to industries which depend on this work.

Section 8.

EMPLOYMENT SERVICE OF CANADA

Canada through its Employment Offices Co-ordination Act has made very great strides in perfecting the organization of employment offices with a view to bringing the individual into touch with a suitable vacancy as rapidly as possible.

Most authorities on the subject of employment offices commend the Canadian system, which establishes provincial Employment Offices as sole public employment agencies, and empowers the Ministry of Labor to:

(a) aid and encourage the organization and co-ordination of employment offices, and to promote uniformity of methods among them;

(b) establish one or more clearing houses for the interchange of information between employment offices concerning the transfer of labour and other matters;

(c) compile and distribute information received from employment offices and from other sources regarding prevailing conditions of employment.

While the Federal Department of Labor directs the general policy of the employment offices, the control of such offices is left in the hands of the provinces.

The Dominion Government also agrees to pay a certain sum toward the general expenses of the Employment Services, \$150,000 being set apart annually to be distributed amongst the provinces in proportion to their expenditures on behalf of their respective employment services. This grant generally amounts to about 35 per cent. of the total cost of the operation of the service.

Further, the Dominion Government in 1924 arranged for the taking over by the Provincial Employment Service of the work of obtaining suitable employment for employable handicapped ex-service men. The Dominion Government pays all the salaries of the additional staff necessary to handle this work and a share of the additional expenses. This work among ex-service men had previously been handled by the Department of Soldiers' Civil Re-establishment, and the co-ordination has worked out very satisfactorily to date.

The Dominion Government also maintains and pays the full expenses of the inter-provincial clearance with an Eastern Clearing House at Ottawa and a Western Clearing House at Winnipeg.

Although the system is generally commended as being a very efficient system it was noted that during conferences with employers and employees in various industries statements were made by both that the Manitoba Employment Service was not being used to any great extent by either the employers or the employees so far as skilled labor was concerned. Many employers have their own employment services; others rely on the applicants "waiting at the gate;" while still others advertise through the newspapers when they need new help. When questioned as to why they did not use the Employment

Service to a greater extent, employers replied, "It does not provide the kind of labour which we need"; or, "We always have a waiting list of known experienced men," while the employees stated that the workers' organizations were active in finding them employment, and that the Employment Service did not have the type of job to offer which they could fill.

An examination of the classified advertisements in the newspapers shows regularly seven and eight columns of private advertisements of situations wanted and situations vacant, so that it is perfectly fair to state that the Employment Service is not reaching into all phases of the unemployment situation.

An examination of the statistics of the Employment Service of Manitoba shows that the bulk of their work is directed toward the placement of agricultural help and the placement of casual help, casual help being interpreted by them as jobs of less than seven days' duration. There is no doubt that these two branches of the work are efficiently done for the relationship of placements to applications and vacancies to placements in these departments is very close. In the remainder of their work, however, this close relationship does not exist, and an examination of the statistics shows that for every one hundred applicants there are only seventy-four vacancies. Of the total placements made 40 per cent. are in agriculture, and of these considerably more than one-half are in the harvest months. Of the total placements made 37 per cent. are casual, while in the women's division 68 per cent. are casual placements. These figures would seem to indicate that the contention of the persons interviewed is well founded that the Manitoba Service is very largely confined to agricultural and casual work.

Job Finding versus Job Filling.

A cursory reading of the Employment Service reports shows that the attitude of the officials is to regard this as a job filling rather than a job finding organization. The result of this is seen in the relationship of placements to applicants and placements to vacancies. for every one hundred applicants Manitoba makes eighty-one placements; while for every one hundred vacancies ninety-four are filled.

The recommendation that naturally follows is that the Manitoba Service should either by personal canvass or by letter, or by extensive advertising, seek to obtain access for its applicants to a greater variety of jobs. It is evident not only from the figures, but from the conferences held by the commission, that the Employment Service has not been "sold" to the employers of labour. For this the officers cannot be held responsible, because for the greater part of the year they are overburdened with work and cannot possibly make the outside contacts necessary to such a campaign. If sufficient funds were available the officers of the Employment Service might analyze the applications and issue, regularly, statements to employers and to such organizations as Boards of Trade and the Industrial Development Board, showing the type of labour available and the amount of surplus labour, and collect and make public reports from employers' organizations regarding vacancies. This information is surely in line with the policy of the Ministry of Labour "to compile and distribute infor-

mation regarding prevailing conditions of employment." The Manitoba Employment Service could advantageously follow the custom of other provinces, and advertise regularly in order to maintain closer touch with both employers and employees.

It is recommended in this connection that the placing of the Employment Service in the Bureau of Labour instead of under the Department of Agriculture as at present would bring the Service into closer touch with industry in the province. All other provinces have placed the Service under the control of the Labor Department, and in view of the fact that Manitoba is much more highly industrialized than either Alberta or Saskatchewan, it would seem reasonable that this province should fall in line. Other considerations might also be urged for this change in administration. Other acts dealing with the relations of employers and employees are administered by this Bureau, and a fairly close contact has already been established with employers. The Employment Service would benefit by this established connection. The administration of the Minimum Wage Act and Unemployment Relief would co-ordinate very closely with the Employment Service.

In the operation of the Handicap Section officers of the Service canvass employers of labour for possible openings for handicapped men, and this canvass has been found to be very fruitful. Similar contacts, however maintained, would no doubt bring a larger number of vacancies to the Employment Service. To maintain such contacts involves, of course, additional expense, but it should be noted that the cost per placement in Manitoba, Alberta and Saskatchewan is much lower than the cost per placement in the other provinces and considerably lower than the cost per placement under any system of private Employment Agencies. Such further expenditures as might be necessary to make the Service more effective would therefore be justifiable.

TABLE NO. 13
APPROXIMATE COST PER PLACEMENT BY PROVINCES

Province	Approximate Cost per Placement
New Brunswick	\$1.31
Nova Scotia	1.60
Quebec	1.94
Ontario	1.31
Manitoba77
Saskatchewan69
British Columbia	1.17
Canada	1.06

Women and the Employment Service

An analysis of the records of the Unemployment Relief Committee reveals the fact that seldom do unemployed women apply for or receive relief from that committee, and at first sight it might appear that the problem of seasonal unemployment does not effect women to any great degree. Women, however, comprise over 12 per cent. of the total wage earners in Manitoba, and it is well known that many of the industries which give employment to women are highly

seasonal in character, including garment making and departmental stores. The percentage of women unemployed during the winter months in Manitoba is conservatively placed at between 28 per cent. and 30 per cent. of the total number of employed women.

This seasonal unemployment among women does not come to the attention of the Relief Committee for two reasons: First, the Minimum Wage Act, and second, unemployed women, whether married or single, generally have their families to fall back upon in time of unemployment. The Minimum Wage Act regulates the amount of wages received by women workers, not only in a particular week or wage period, but where factories are in the habit of laying off their women operators, or placing them on short time, the Minimum Wage Board endeavors to regulate the short time permits so as not to bring the wages earned by the women below the minimum wage when a twelve-month period is considered. Most of the industries which are subject to seasonal fluctuation provide a considerable amount of overtime, the minimum working week for women being fixed at fifty-four hours, and the wages received under this overtime system enable the workers to carry themselves over the slack period. Those who have families to depend on are not likely to come under the notice of the Relief Committee, unless the male members of the family are also unemployed, in which case the application will be made in the name of the husband or father.

Some of the married women who are employed seasonally are women whose husbands are also employed, and who are simply endeavoring to earn "pin" money. Many of the women, however, who apply for casual employment as day workers are in necessitous circumstances, as are also single women who are not living with their families. This latter class can frequently be placed in domestic work during the winter season.

The Women's Branch of the Manitoba Employment Service has departments dealing with Junior Girls, Business Women, Factory, Household, Farm Help, Institutional and Day Workers. The total number of vacancies filled in these departments in a twelve month period is over 21,000, but of this number over 14,000 or 68 per cent. are placements of a casual nature. This indicates that the service being rendered by the Women's Division of the Employment Office toward the placing of industrial women in permanent employment is comparatively small. Several reasons might be given for this:

1. Manufacturers requiring help are anxious to obtain skilled operators. They need them in a hurry, and they wish them to be experienced in their own industry. Many of such employers keep a file of their employees who have been laid off and a waiting list of applicants whom they can call on in emergency.

2. Many women who have been employed for several years in Winnipeg are unaware of the existence of the Women's Department of the Employment Service, or else imagine that its function is simply to provide for the casual or day worker.

3. Many girls prefer not to frequent the office of the Employment Service because the Women's Department is in the same build-

ing with the Men's Department, and they prefer not to come in contact with it. It should be stated that while the Women's Department is located in the same building, there are separate entrances, but it would probably enable more women workers to be served by the Women's Department if the office were located at some other point, and if the existence and the functions of this department were better understood by the women workers.

Another reason given by manufacturers as to why the Women's Department is not used by them is that they find it difficult to secure the right type of help through that channel for the reason mentioned above that experienced workers do not care to frequent the Employment Office.

Employers further state that in order to obtain new help through the Employment Service they have to give too much definite information as to the type of work and the wages paid, and they find that while the girl sent by the Employment Office might be suitable for some other employment in their establishment, and could be easily placed by a re-arrangement for their workers, they are totally unsuitable for the vacancy for which they are applying.

The Commission believes that this branch of the Service should be in a separate location from the general office, and that it should be in charge of some individual who would be able to keep well posted on employment opportunities for women, and who would be able to arrange for the dovetailing of various seasonal industries which employ large numbers of women both of the skilled and semi-skilled classes. Organized labour keeps its members informed as to opportunities for employment, but some organization is required to perform a similar service for women.

Section 9

UNEMPLOYMENT INSURANCE

One of the measures proposed as a means of dealing with unemployment is the institution of unemployment insurance. Since the beginning of this century there has been a growing feeling in all industrial countries that some scheme of unemployment insurance is necessary to meet the exigencies of our present industrial system subject as it is to fluctuation, both seasonal and cyclical, whereby thousands of men are unable to obtain employment. The question naturally arises: "Is an industry really self-supporting if it does not provide for its workers a comparatively steady means of livelihood, not only throughout the year, but from year to year.

The fact that in all countries numerous industries have not in the past met this condition has compelled the introduction of unemployment indemnity as a means of insuring to the worker a comparatively steady income.

Numerous types of insurance have been experimented with:

1. The first of these unemployment insurance schemes worthy of note is the Out-of-Work Benefits provided by the labour unions where the workers are organized. This type is in the nature of mutual benefit and in most cases the burden of carrying the unemployed workmen falls on his working brethren. In some countries this type of insurance was contributed to by the State Government, thereby acknowledging the responsibility of the State for the welfare of its workers.

2. The second type is that in which an industrial plant sets apart a certain sum weekly or monthly to be used for the relief of its regular staff of workers while they may be temporarily unemployed.

3. The third type of unemployment indemnity is that in which the workers and the employers contribute proportionately by a mutual agreement toward the unemployment fund. This type is generally known as the "voluntary" type and in most cases each industry, and indeed each establishment, maintains its own fund.

4. The fourth type is that in which all employers and employees are required by law to lay aside regularly certain sums for the relief of unemployment, the State not contributing, but supervising the collection and disbursement of such funds.

5. The fifth type is that in which the employers and employees contribute as in Type No. 4, and the State makes a grant in proportion to the amount thus contributed, the State again supervising the collection and disbursement of these funds.

6. The sixth type is that in which the State alone lays aside monies for the relief of unemployment, but this can hardly be called unemployment insurance, as it generally partakes of the nature of charity and exceptionally close supervision is necessary in order to prevent abuses. This is the true "dole" which is a hand-out not only to the unemployed worker, but to the industry thus subsidized.

The first type mentioned is the earliest type and as early as a century ago saw the institution of these mutual benefit funds. Such provisions were common in Great Britain and in Belgium. A variation of this type is to be found in Belgium, Switzerland, Denmark, France and Norway where the contributions of the workers are supplemented by grants from the public authorities, thus acquiring financial stability which entitles them to be ranked as insurance institutions. Such systems, however, absolutely absolve the employers from any responsibility for regularizing employment.

The most striking example of the second type is in the Russian Labour Code, November, 1922, which reads: "The insurance contributions shall be borne by the employers and they shall not be imposed upon the insured persons nor deducted from their wages." The second example is the agreement between the Hat and Cap Makers of North America, and the Hat and Cap Manufacturers' Association which provides for an unemployment fund to be maintained by weekly contributions from each employer equal to three per cent. of the weekly payroll. There has recently been introduced in the Wisconsin Legislature the Huber Bill which proposes to establish an Employers' Mutual Employment Insurance Company to which all employers of labour, with certain specified exceptions, will be compelled to contribute. This type which places the total responsibility upon employers is regarded by authorities on labour problems as an ideal system, although in the case of some industries it would be impracticable and in others would be a severe handicap to the entrepreneur.

An excellent example of the third type is the Hart, Schaffner and Marx Unemployment Fund Agreement, of October, 1923, entered into by this manufacturing establishment and the Amalgamated Clothing Workers of America. This agreement establishes an unemployment fund to be administered by trustees, the funds to be provided by the manufacturer paying weekly one and one-half per cent. of the total weekly payroll and deducting one and one-half per cent. of the employees' wages weekly, such deductions also to be paid into the fund.

An example of the fourth type is seen in the Italian system, established in 1919, originally based on State participation, but amended in 1923, so as to make the Fund dependent wholly on contributions from the employers and employees. Germany has recently adopted a similar system of compulsory unemployment insurance, the employer contributing one and one-half per cent. of the weekly payroll and the worker contributing one and one-half per cent. of his wages. The Government here is the trustee of the funds and administers the relief.

Type No. 5 is known as the Tri-partite Contributory System under which employers, employees and public authorities each bear their share. In Britain the Fund was contributed to on the basis of one-third from each of these three sources, but in the period of stress the Unemployment Funds were depleted and the Government was compelled to make a larger contribution in order to have adequate funds available for the scheme. In Queensland, Australia, each of the parties contributes one-third of the costs. This is also true in the Irish

Free State. In Poland workers pay one-half of one per cent. of the wages, the employers pay one and one-half per cent. of their payroll, while the State pays an amount equal to 50% of this total. The Austrian system shares the responsibility amongst employers, employees, local authorities and State authorities.

The sixth type mentioned where finances were contributed by the State alone is not properly called "insurance," but rather "relief." This relief in some cases is borne wholly by the State Government; in others by the local commune or municipality; and in others is shared between the local and State authorities.

In very few cases is the sole responsibility placed on the local public authorities, the implication being that the burden of social relief is a national as well as a local problem.

The former agreement between the Federal Government of Canada, the Provinces and the Municipalities, whereby each bore approximately one-third of the cost of relief was in line with the generally accepted practice under this type of social relief.^x

The case of seasonal unemployment is generally regarded as a separate case, and many questions arise as to whether seasonal unemployment is a risk, or whether it is not in many cases a certain event for which provision should be made not in the form of insurance, but by savings from wages. As a matter of fact, in industries with regular slack seasons, wages are frequently fixed on the basis of the length of time that workers are generally employed, and are expected to provide sufficient income to enable the worker to support himself when business is slack. There is still, however, the element of uncertainty, for the slack season may vary in length and in intensity, consequently, seasonal unemployment generally implies a social risk against which insurance is quite proper. Several of the countries which have insurance schemes in operation definitely exclude seasonal unemployment from the scope of their schemes; others definitely include it; Denmark, Spain, Italy and Czecho Slovakia provide for the exemption of seasonal unemployment. The Polish Act is elastic and, after excluding seasonal unemployment, leaves to the Minister of Labour the duty of defining the dates when the slack season begins and ends in each industry.

Another point which must be considered is the inclusion or exclusion of agricultural labour. Most of the systems definitely exclude workers in agriculture and associated occupations from participation in unemployment insurance. This has been found necessary, because of the special nature of their employment and the technical difficulties involved both as to the levying of contributions and the control of the labour market.

These two considerations are extremely important in the present study, since unemployment not only in Manitoba, but in Canada as a whole, is largely seasonal, and is at peak in winter when the cost of living is highest, and is, in Western Canada at least, very largely agricultural. It would appear then that in attempting to solve the unemployment problem Canada, in common with the rest of the civil-

^xSee Section on Relief.

ized world, must consider the question of unemployment insurance, but in that consideration must take special account of these two classes of unemployment, which have been in many countries excluded from the scope of insurance schemes.

As stated elsewhere in this report the problem of unemployment, so far as it has to be dealt with in Manitoba, is not purely a local problem, but it rather inter-provincial and national in its character. So any scheme of unemployment insurance must be federal rather than provincial. If the Province of Manitoba were to establish any insurance scheme this province would immediately become the rallying point of the unemployed, and in order to protect such a scheme from abuse, regulations would be necessary, which would render it obnoxious to the individuals it was designed to benefit. It should not be made to include only certain industries because if this were done in a young country, it would interfere with the mobility of labour and also with the occupational mobility of the labour class, and both of these types of mobility are necessary in Canada. It must, therefore, be national and universal.

An unemployment insurance scheme should not be made to include only certain industries, because if this were done in such a young country it would interfere with the mobility of labour, and also with the occupational mobility of the labour class, and both of these types of mobility are necessary in Canada. It must, therefore, be national and universal.

Another reason for considering the unemployment insurance as distinctly a Federal matter is the fact that unemployment is closely associated with immigration, which is regulated entirely by the Federal Government. The institution of a national unemployment insurance would compel the closer co-operation of the Federal Departments of Labour and of Immigration.

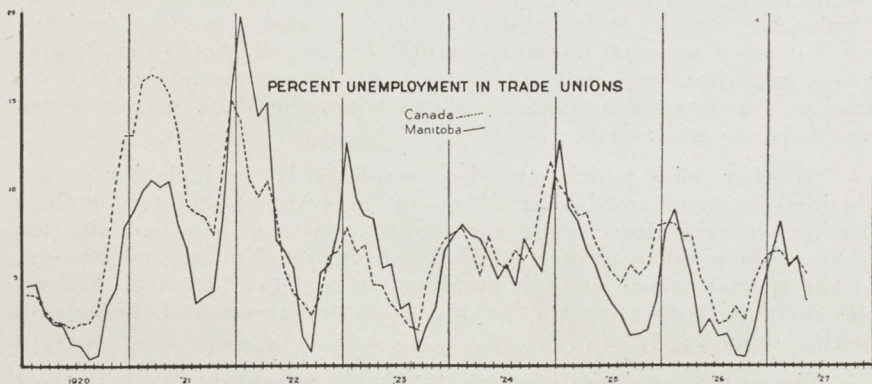


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Section 10

UNEMPLOYMENT RELIEF

Unemployment results in destitution necessitating relief measures, consequently consideration of this phase of the question is in order. Men following unskilled occupation, and earning barely sufficient to live on, are the first to find themselves facing destitution, due to unemployment, and the unskilled labourer by far outnumbers other occupational classifications on the relief lists.

The problem is by no means a new one, but we may take some slight satisfaction from the fact that means have always been found in the past to provide relief for destitute persons, either through charitable organizations or through municipalities; however, the relief provided in many cases has been barely sufficient to keep body and soul together, and the lot of the recipients has been far from a happy one.

This relief has at all times amounted to considerable sums, which had to be provided from the public treasury. Between the years 1904 and 1911 the cost to the City of Winnipeg alone averaged over \$6,000 per annum, while from the year 1911 to 1914 it averaged over \$17,000 per annum. With the outbreak of the war there came a period of demoralization of industry, extending into the spring of 1916, during which time the total cost of civil unemployment relief in the province was \$316,227. During the rest of the war period the Manitoba Patriotic Fund took care of the wives and families of soldiers, and also provided for many destitute civilian families. Since 1920 destitution due to unemployment has each year been relieved by the municipalities, with the co-operation of the Provincial Government, and sometimes with the co-operation of the Dominion Government. The cost of this relief for the years from 1920 to 1927 is given in the following table:

TABLE NO. 14
COST OF UNEMPLOYMENT RELIEF 1920-1927

Winter	Cost to Provincial Government	Approximate Total Cost	Did Federal Government Assist?
1920-21.....	\$ 78,952.26	\$240,000.00	Yes
1921-22.....	151,718.85	484,000.00	Yes
1922-23.....	63,542.80	200,000.00	No
1923-24.....	55,104.39	520,000.00	No
1924-25.....	58,609.32	285,000.00	No
1925-26.....	16,567.57	70,000.00	Yes
1926-27.....	9,639.91	40,000.00	No

Previous Methods of Financing Relief

Destitute, workless people naturally make their first appeal to the Civic authorities, who, when the burden becomes heavy, turn just as naturally to the Provincial and Dominion Governments for assistance.

As has already been indicated, the policy of successive provincial governments in Manitoba has been to grant financial assistance. From 1920 to last year the policy of the Provincial government has been practically uniform, the Government's share being set at one-

third of the cost of relief, and one-half of the extra cost of relief administration. In 1924-1925, in accordance with the resolution adopted at the National Conference on Winter Employment in Canada, September, 1924, the province agreed to pay 25 per cent. This was changed again to one-third in 1925-26, because the Federal policy called for this. In 1926-27 it was again 25 per cent.

The Dominion Government, however, has not been so consistent in its policy, which has varied from a policy of initiating joint action on the part of the Dominion, Provincial and Municipal authorities to a policy of definite refusal to grant assistance. This inconsistency is revealed by a comparison of the attitude of the Federal Minister of Labour in October, 1921, with his attitude in September, 1924.

In a letter from the Federal Minister of Labour to the Premier of the Province of Manitoba, under the date of October 12, 1921, the following sentence occurs: "The problem of unemployment, like that of carrying on a free employment service, is a work of national importance, and I trust that the Federal Department of Labour may have the co-operation of the Provincial Government—on an absolutely non-political basis—in handling the unemployment problem to the same extent as we have enjoyed your confidence and co-operation in the administration of the Employment Service."

During the Conference of September, 1924, the Minister of Labour who was chairman, gave a carefully prepared statement of the policy of the Dominion Government, stating that it was based upon Paragraph Seven of Section 92 of the British North America Act, which placed the "establishment, maintenance and management of hospitals, asylums, charities and eleemosynary institutions in and for the province, other than marine hospitals," under the exclusive jurisdiction of the Provincial Legislature.

While this may be a true constitutional position, it has already been pointed out in this report that the unemployment question in Manitoba is not merely a provincial question, but is inter-provincial, and, further, that the provinces do not control the immigration policy of the Dominion and have no say in it, and that the influx of immigrants into the western provinces cannot fail to increase the burden of seasonal unemployment each winter. That the province has no power to tackle the problem of unemployment by restricting immigration is clear from Section 95 of the British North America Act, which reads in part, "Any law of the Legislature of a province relative to agriculture or immigration shall have effect in and for the province as long as and as far only as it is not repugnant to any Act of the Parliament of Canada." It would therefore seem that the statement of the Minister of Labor in his letter to the Premier of the Province of Manitoba is more nearly in accordance with the constitution than the statement made by him at the 1924 conference.

ANALYSIS OF UNEMPLOYMENT RELIEF IN WINNIPEG
LENGTH OF RESIDENCE IN CANADA

Year	Under 3 Mos. %	1 Year %	1 to 10 Years %	Over 10 Years %	No Record	Total
1921-22.....	26	216	880	3 284	798	5,204
1922-23.....	7	43	434	2,057	20	2,561
1923-24.....	7	78	315	2,311	10	2,721
1924-25.....	21	177	569	3,410	42	4,228
1925-26.....	---	---	61	802	5	868
1926-27.....	---	---	45	533	---	578
TOTAL.....	61 .4%	514 3.2%	2,304 14.3%	12,397 76.7%	875 5.4%	16,160 100%

LENGTH OF RESIDENCE IN MANITOBA

	Under 3 Mos.	1 Year	1 to 10 Years	Over 10 Years	No Record	Total
1921-2.....	524	464	1,557	2,039	620	5,204
1922-3.....	173	192	847	1,327	22	2,561
1923-4.....	110	200	706	1,689	16	2,721
1924-5.....	386	314	1,013	2,473	42	4,228
1925-6.....	---	9	136	718	5	868
1926-7.....	---	---	100	478	---	578
Total.....	1,193 7.4%	1,179 7.3%	4,359 27.0%	8,724 54.0%	705 4.4%	16,160 100%

ANALYSIS OF UNEMPLOYMENT RELIEF IN WINNIPEG

LENGTH OF RESIDENCE IN WINNIPEG

Year	Under 3 Mos. %	1 Year %	1 to 10 Years %	Over 10 Years %	No Record %	Total
1921-2	950 18.4	471 9.0	1,688 32.4	1,542 29.6	553 10.6	5,204
1922-3	491 19.2	270 10.5	850 33.2	928 36.2	22 .9	2,561
1923-4	249 9.2	324 11.9	861 31.6	1,266 46.5	21 .8	2,721
1924-5	710 16.8	343 8.1	1,224 28.9	1,907 45.1	44 1.1	4,228
1925-6	1 .1	37 4.3	310 35.7	515 59.3	5 .6	868
1926-7	-----	-----	249 43.1	329 56.9	-----	578
Total	2,401 15.9%	1,445 8.9%	5,182 32.0%	6,487 40.1%	625 3.9%	16,160 100%

NATIONALITY

Year	English %	Irish %	Scotch %	Welsh %	Canadian %	American %	Slav. %	Others %	No Rec'd %
1921-2	1,031 19.8	238 4.6	456 8.8	42 .9	1,365 26.2	194 3.7	746 14.3	595 11.4	537 10.3
1922-3	629 24.5	124 4.5	240 9.4	24 .9	748 29.2	107 4.2	550 21.5	129 5.1	10 .4
1923-4	647 23.8	126 4.6	235 8.6	21 .8	669 24.6	84 3.1	752 27.6	183 6.7	4 ..2
1924-5	937 22.2	283 6.7	455 10.7	30 .7	753 17.8	69 1.6	1,250 29.6	408 9.7	403 1.0
1925-6	164 18.9	54 6.2	78 9.0	8 .9	37 4.3	6 .7	454 52.3	63 7.2	4 .5
1926-7	110 19.0	41 7.1	60 10.4	7 1.2	33 5.7	1 .2	281 48.5	45 7.8	-----
TOTAL	3,518 21.8%	866 5.3%	1,524 4.4%	132 .8%	3,605 22.3%	461 2.8%	4,033 24.9%	1,423 8.8%	598 3.7%

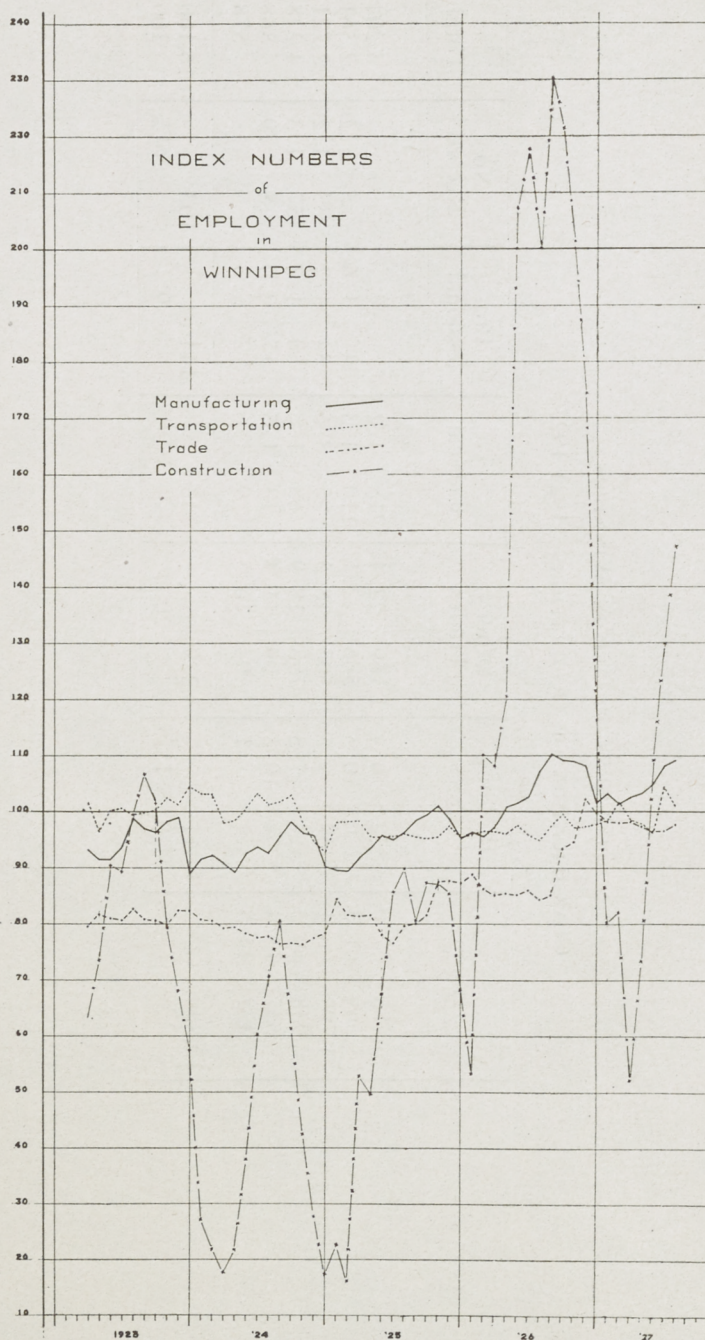


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